

ANNEX 2



Enterprise Improvement



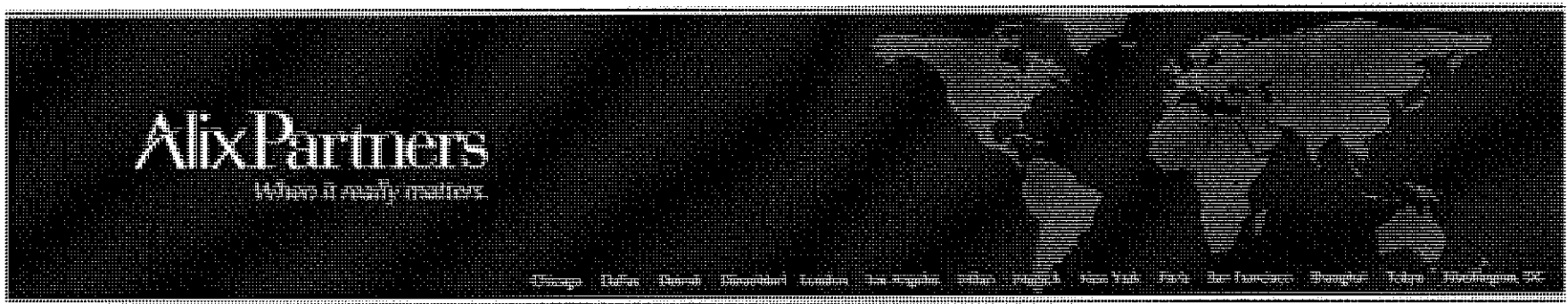
Corporate Turnaround
and Restructuring



Financial Advisory
Services

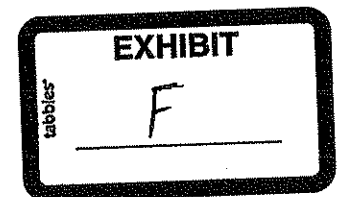


Information Management
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Project Hermitage Restructuring

March 6 2013



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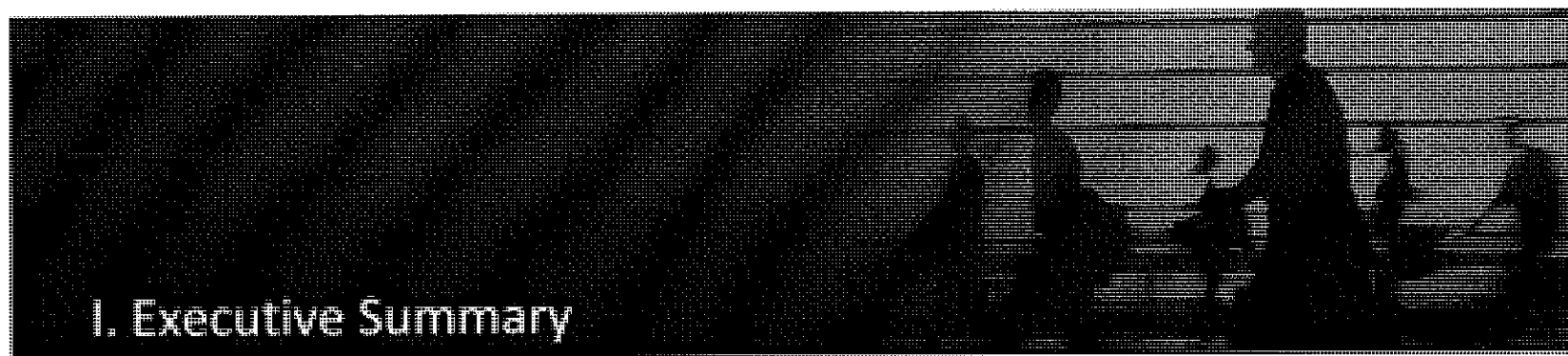


Contents

- I. Executive Summary / Remarks from the Company
- II. Background
- III. Restructuring Proposal
- IV. Financial Analysis
- V. Conclusions

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I. Executive Summary

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Executive Summary

- ▶ The November 20 Proposal provides the basis for a formal or informal standstill period during which the Company can develop, negotiate and implement a structure providing a viable long term solution
- ▶ The November 20 Proposal has shown to be effective as an interim measure providing liquidity and stability to the Company but it is unlikely to provide a definitive solution. One significant obstacle to its long-term implementation is the transfer of cash flows away from banks towards charterers
- ▶ In considering alternatives for a financial restructuring, the Company sought to achieve the following key objectives:
 - Compensate stakeholders adequately for their risk-weighted capital exposure and concessions
 - Constrain cross subsidization between stakeholders related to different underlying assets
 - Ring-fence potential sources of disruption, holdout, or nuisance (such as arrests or sister-ship arrests)
 - Maximize options for stakeholders and potential for self-selection
- ▶ A long term plan involves grouping and ringfencing assets according to their debt service capacity and sensitivity to a recovery in rates.
- ▶ This can be achieved by executing arms-length sale transactions of the [SPVs] at market value into appropriate newcos:
 - a) Newco Alpha: up to 29 vessels (mostly Tanker operations) financed by “Hamburg” banks, Natixis, Credit Europe (including Second Lien), NSF Second Lien and Lloyds; Alpha to be partially recapitalized with new equity and financed through 5 different facilities
 - b) Newco Beta: 4 vessels financed by CCB and CDB.
 - c) Group C: GB Global, NSF (South and East)
 - d) Group D: the remaining vessels, essentially comprised of Icon, Octavian, Stealth, FSL

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II. Background

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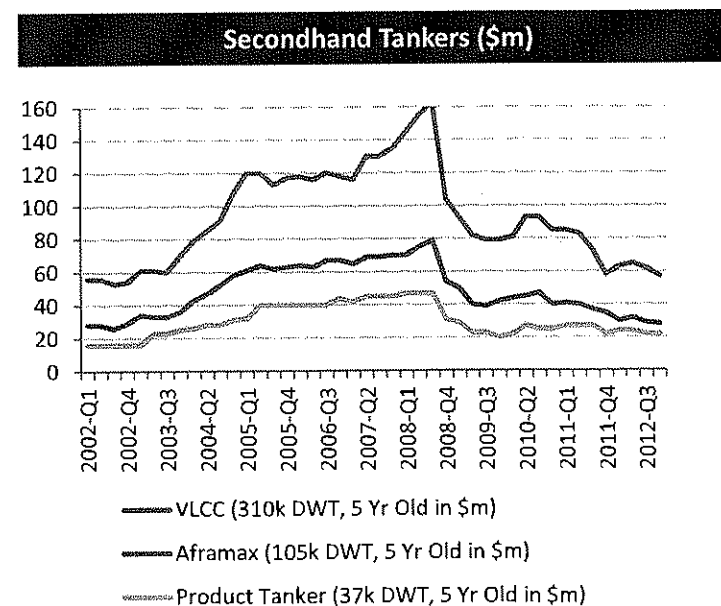
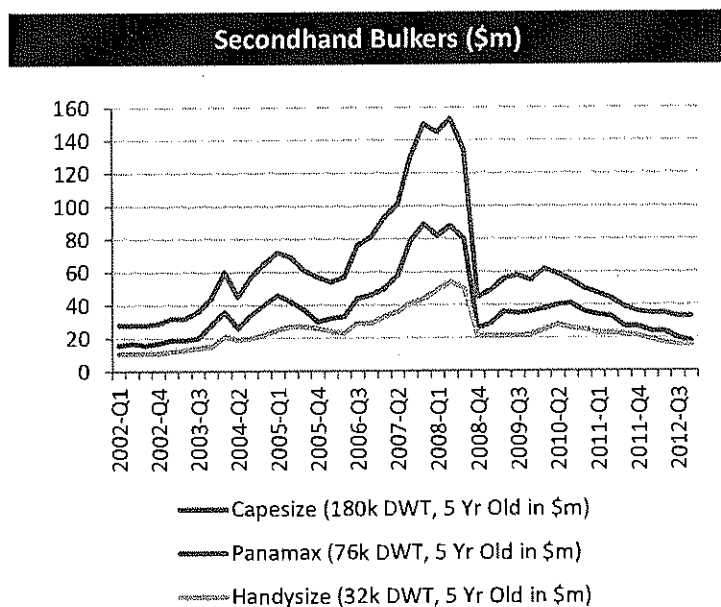
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Background

The Market

- ▶ Neither the tanker nor the bulker market recovered through 2012 and vessel earnings have remained low
 - The tanker market has shown signs of firmness in Q1 2013 but there is little optimism for a sustained recovery before Q3 2013
 - The bulker market continues to be very weak and has performed slightly below the Nov 20 Business Plan forecast during Q1 2013
- ▶ Asset values have continued to deteriorate through the end of 2012. The latest levels as per Clarkson Research sustained decline to multiyear lows:
 - 5yr old VLCC, Aframax and Product tankers at \$57m, \$28m, and \$22m
 - 5yr old Capesize, Panamax, and Handysize at \$33m, \$18m, and \$16m



Source: Clarkson Research

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Background

The Company

- ▶ The Company has actively been managing its portfolio since 2008, mainly via:
 - The investment of c.\$700m in equity along with \$1.8B of bank and sale-leaseback (18) financing
 - The Sale of 12 vessels upon delivery for net proceeds of \$136m
 - The Sale of 17 vessels operating within the fleet for net proceeds of \$79m
 - The sale –leaseback of 18 vessels to finance \$665m in deliveries of which 7 in 2013 (\$171m)
- ▶ Earnings from vessels financed by banks have fallen \$45m short of debt service in the period 2011-2012. Similarly, earnings from bareboat vessels have fallen \$43m short of obligations in the period 2011-2012.
- ▶ In order to maintain minimum operational liquidity, the Company has instituted a moratorium during the first quarter including the following measures
 - Deferral of 100% from all lenders other than CCB and CDB who have already agreed to a debt rescheduling starting from Q4 2012
 - Deferral of some November and December 2012 principal repayments
 - Deferral of 35% of the bareboat hire payments
 - Refinancing of Royal via Credit Europe facility; Repayment of 2012 bank principal overdue ⁽¹⁾
 - Management of supplier overdue through the quarter
- ▶ While all stakeholders have reserved their rights, some specific stakeholder actions have affected the cash flows
 - Unicredit has drawn on its deposit accounts
 - Icon issued a lien notice to the charterers and has directly received charter income
- ▶ With above measures and actions, available cash is projected at only c.\$23.8m including retention at the end of March and c.\$7.5m in restricted cash deposits

⁽¹⁾ Does not include default interest, margin increases and bank fees

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Company and Fleet Overview

The Company – Recent Events

► Flash

1. The Flash ran aground at the end of June and is currently arrested in Tunisia
2. The customer has invoked damage of goods (wet coal) and has refused to take delivery
3. 180 days have elapsed as of Feb 2013, potentially giving rise to a Constructive Total Loss on a hull coverage of \$110m
4. The claim has been rejected by the Club on the basis that the damage is to cargo
5. An arbitrator is to be appointed week of Mar 4 2013

► Baytur

1. Baytur is expected to be delivered in the first week of April for \$13.6m in proceeds

► Royal Refinancing

1. The Royal was refinanced through a \$37.5m facility with Credit Europe
2. Credit Europe has cross-collateralized its second lien on the Namrun and the Scope (behind Natixis) with a second mortgage on the Royal
3. \$10m has been paid to HSH and \$10m is outstanding to the yard

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Company and Fleet Overview

Employment, Tanker

Tankers									
Ref	Vessel	Type	Daily Charter Net Rate	Charterer	Maturity	Profit Share End Date	Option Rate	Option Maturity	Option (Month)
1	MT AQUA	Aframax Tanker	12,675	CHEVRON	Apr-13	-	12,675	Oct-13	6
2	MT ACTION	Aframax Tanker	12,706	URSA SHIPPING	Mar-13	-	12,706	May-13	2
3	MT TARGET	Aframax Tanker	11,500	SHELL	Apr-17	Jun-14	11,500	Apr-22	60
4	MT TRUE	Aframax Tanker	11,500	SHELL	Apr-17	Jun-14	11,500	Apr-22	60
5	MT SPIKE	Aframax Tanker	12,825	URSA SHIPPING	Mar-13	-	12,825	Oct-13	6
6	MT AVOR	Aframax Tanker	13,063	URSA SHIPPING	Aug-13	-	13,063	Feb-14	6
7	MT VALUE	Aframax Tanker	11,500	SHELL	Apr-17	Jun-14	11,500	Apr-22	60
8	MT BRAVO	Aframax Tanker	11,500	SHELL	Apr-17	Jun-14	11,500	Apr-22	60
9	MT POWER	Aframax Tanker	11,500	SHELL	Apr-17	Jun-14	11,500	Apr-22	60
10	MT PROFIT	Suezmax Tanker	13,000	SHELL	Apr-15	Jun-14	13,000	Apr-18	36
11	MT CENTER	Suezmax Tanker	15,675	NIDAS	Jun-13	-	19,500	Jun-14	12
12	MT BLUE	Suezmax Tanker	13,000	SHELL	Apr-15	Jun-14	13,000	Apr-18	36
13	MT PINK	Suezmax Tanker	36,834	GLENCORE	Jun-15	-	36,834	Jun-15	-
14	MT BLANK	Suezmax Tanker	13,000	SHELL	Apr-15	Jun-14	13,000	Apr-18	36
15	MT REEF	Suezmax Tanker	37,080	GLENCORE	Jul-15	-	37,080	Jul-15	-
16	MT HERO	Suezmax Tanker	13,000	SHELL	Nov-15	Jun-14	13,000	Nov-18	36
17	MT ROYAL	Suezmax Tanker	13,000	SHELL	Nov-15	Jun-14	13,000	Nov-18	36
18	MT ENJOY	Panamax Tanker	13,825	CSSA	Mar-14	-	-	Mar-14	-
19	MT MARKA	Panamax Tanker	11,959	Panamax International (P.I.)	Jun-13	-	12,925	Dec-13	6
20	MT CITRON	MR Pro/Chem Tanker	13,380	SHELL	May-13	-	13,380	Jul-13	2
21	MT CITRUS	MR Pro/Chem Tanker	13,380	SHELL	Jul-13	-	13,380	Sep-13	2
22	MT ACOR	Ice Class Pro/Chem Tanker	11,700	NORDEN	Apr-13	-	-	May-13	1
23	MT CARRY	Ice Class Pro/Chem Tanker	11,150	NORDEN	Aug-13	-	-	Sep-13	1
24	MT ROVA	Ice Class Pro/Chem Tanker	12,250	CSSA	Nov-13	-	-	Dec-13	1
25	MT COTTON	Ice Class Pro/Chem Tanker	12,250	CSSA	Nov-13	-	-	Dec-13	1
26	MT CARGO	Ice Class Pro/Chem Tanker	11,690	NORDEN	May-13	-	-	Jun-13	1
27	MT ROCK	Ice Class Pro/Chem Tanker	11,690	NORDEN	Mar-13	-	-	Apr-13	1
28	MT ROCKET	Ice Class Pro/Chem Tanker	11,690	NORDEN	Jun-13	-	-	Jul-13	1

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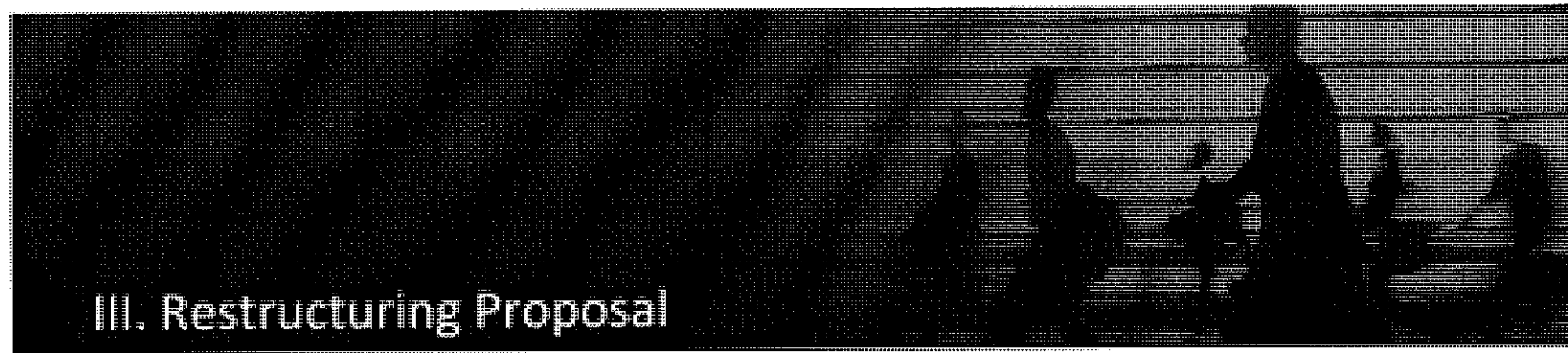
SUPPLEMENTAL

Company and Fleet Overview

Employment, Bulk

Bulkers									
Ref	Vessel	Type	Daily Charter Net Rate	Charterer	Maturity	Profit Share End Date	Option Rate	Option Maturity	Option (Month)
31	MV SCOPE	Capesize Bulk Carrier	10,000	SWISS MARINE	Oct-13	-	-	May-14	7
32	MV FLASH	Capesize Bulk Carrier		ARRESTED		-	-	Jan-00	-
33	MV PROUD	Capesize Bulk Carrier	56,000	COSCO	Jun-14	-	-	Jun-14	-
34	MV ANGEL	Capesize Bulk Carrier	4,533	SWISS MARINE	Mar-13	-	-	Mar-13	-
35	MV PRETTY	Capesize Bulk Carrier	7,600	SWISS MARINE	Feb-13	-	-	May-13	3
36	MV CASH	Kamsarmax Bulk Carrier		N/A	-	-	-	Jan-00	-
37	MV COLLECTION	Kamsarmax Bulk Carrier		N/A	-	-	-	Jan-00	-
38	MV CITY	Kamsarmax Bulk Carrier		N/A	-	-	-	Jan-00	-
39	MV ASIA	Supramax Bulk Carrier	7,014	SUPREME BULK CARRIERS	Jan-13	-	7,014	Apr-13	3
40	MV FANTASTIC	Supramax Bulk Carrier	6,978	SUPREME BULK CARRIERS	Jan-13	-	6,978	Apr-13	3
41	MV AMAZING	Supramax Bulk Carrier	7,267	SUPREME BULK CARRIERS	Feb-13	-	7,267	May-13	3
42	MV TARSUS	Supramax Bulk Carrier	6,978	SUPREME BULK CARRIERS	May-13	-	6,978	Jul-13	2
43	MV SPOT	Supramax Bulk Carrier	10,925	COPA	Feb-13	-	-	Feb-13	-
44	MV CLEAR	Supramax Bulk Carrier	5,850	Denmar Chartering & Trading GMBH Hamburg, Germany	May-13	-	5,850	May-13	-
45	MV NAMRUN	Supramax Bulk Carrier	7,256	SUPREME BULK CARRIERS	Jan-13	-	7,256	Apr-13	3
46	MV BAYTUR	Supramax Bulk Carrier	6,978	SUPREME BULK CARRIERS	Jan-13	-	6,978	Apr-13	3
47	MV SOUTH	Supramax Bulk Carrier	6,978	SUPREME BULK CARRIERS	Jan-13	-	6,978	Apr-13	3
48	MV EAST	Supramax Bulk Carrier	8,422	WORLDWIDE INVESTMENT	Feb-13	-	8,422	Feb-13	-
49	MV WEST	Supramax Bulk Carrier	7,219	SUPREME BULK CARRIERS	Jan-13	-	7,219	Apr-13	3
50	MV SECRET	Supramax Bulk Carrier	8,422	SUPREME BULK CARRIERS	Jan-13	-	8,422	Apr-13	3
51	MV SHARP	Supramax Bulk Carrier	8,075	SIVA BULK	May-13	-	-	Jan-00	2
52	MV CAPITAL	Supramax Bulk Carrier	8,075	SIVA BULK	May-13	-	-	Jan-00	2
53	MV METROPOL	Supramax Bulk Carrier	7,219	SUPREME BULK CARRIERS	Mar-13	-	-	Jan-00	-
54	MV WORLD	Supramax Bulk Carrier	8,265	SIVA BULK	Apr-13	-	8,265	Jul-13	-
55	MV EARTH	Mini Bulk Carrier		On Spot		-	-	Jan-00	-
56	MV WIND	Mini Bulk Carrier		On Spot		-	-	Jan-00	-
29	MT CV STEALTH	Aframax Tanker	11,700	PT Armada	Mar-13	-	11,700	Apr-13	1
30	MT CS STEALTH	Aframax Tanker	12,255	Petrovietnam Transport Corp	Mar-13	-	12,255	Mar-13	-

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III. Restructuring Proposal

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Restructuring Proposal

Key Assumptions

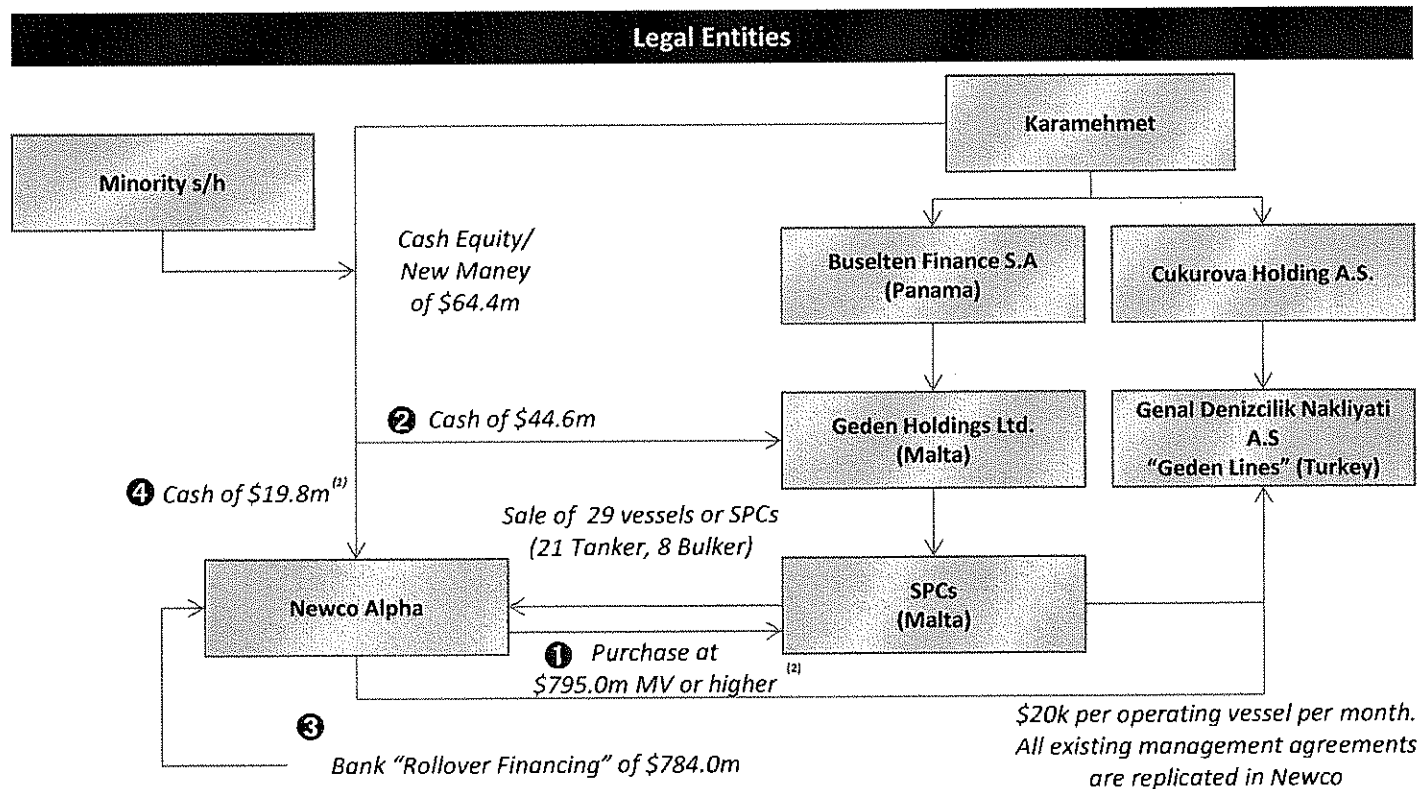
- ▶ Key assumptions under the Plan include
 - All ships sold **at minimum of market value or value of loan** and on an arms-length basis.
 - There will be **some change in the ownership** in the go-forward entities Newco Alpha and Beta (in order to protect relevant lenders from sister ship arrests in South Africa - type jurisdictions)
 - Stakeholders in groups **C and D will have the option to move into A** subject to loan modifications adhering to the conditions prevalent in that entity.
 - Stakeholders in **C and D can have their vessels redelivered** subject to acceptable terms for termination.
- ▶ The Company would prefer a coordinated financing approach in Newco
- ▶ The Second Lien debt relating to NSF and Credit Europe is transferred/novated upon the sale. There may be an opportunity to renegotiate terms of mezzanine debt (NSF, Credit Europe) as part of the sale but it has not been contemplated here
- ▶ Deposits related to facilities (Unicredit, Profit, etc.) are netted the outstanding loan amounts; the loans are reconstituted after the transaction and the deposits are eliminated

DRAFT - PRELIMINARY

Plan B – Split of Fleet via Newco A

Newco A Example

- **Newco Alpha:** Intended to form a viable standalone entity of up to 29 vessels (21 Tanker and 8 Bulker) in which the quality of vessel earnings would enable limited deferrals compared to those required in the November 20 proposal; New equity provided in the transaction to reduce total bank exposure and improve LTV coverage ratio for the majority of the facilities
- **Assumptions :** 1) Sale of ships at market value from Olco to Newco 2) Equity to fund any shortfall in collateral in Oldco 3) New bank financing in Newco provided at 95% LTV 4) New Equity in Newco as required for 95% LTV.



Note: Indicative transaction structure subject to legal due diligence

^[1] Equity of \$1.1m also as a result of transfer of Namun at value greater than senior debt

^[2] \$52.6m financed in excess of market value of assets

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Plan B – Split of Fleet via Newco: Alpha

Structuring: Facility #1

- **Facility#1:** Newco Alpha financing at 95% LTV, LIBOR +3% on a 15 year loan profile from delivery date based 20 year working life minus 5 years. Pro Forma debt in Facility#1 includes second liens behind Natixis related to Credit Europe (\$16.1m)

Type	Facility	Name	Current LTV	Pro Forma LTV	Repaid Outstanding Loans ⁽¹⁾	Current Repaid Value	Excess / Shortfall ⁽²⁾	Capital required in NewCo LTV of 95%	Capital required in NewCo LTV of 95% and to cover deficiency ⁽³⁾	Equity going into NewCo ⁽⁴⁾	New debt ⁽⁴⁾
							(B-A)	(B+C-D)	(D+Negative C)	(Positive C)	(D-A)
Facility#1 Hamburg Berlin split down to 95% LTV including any current shortfalls											
Aframax	NLB	Target	99%	95%	28.7	29.0	0.3	1.5	1.5	0.3	27.6
Aframax	NLB	True	108%	95%	33.4	31.0	(2.4)	1.6	4.0	0.0	29.5
Aframax	Unicredit	Value	95%	95%	31.5	33.0	0.0	1.7	1.7	0.0 ⁽⁴⁾	31.4
Aframax	Unicredit	Bravo	95%	95%	31.5	33.0	0.0	1.7	1.7	0.0 ⁽⁴⁾	31.4
Aframax	Unicredit	Power	97%	95%	31.9	33.0	0.0	1.7	1.7	0.0 ⁽⁴⁾	31.4
Suezmax	DVB NLB	Profit	96%	95%	39.4	41.0	1.6	2.1	2.1	1.6	39.0
Suezmax	CB NLB BrLB	Blue	99%	95%	40.5	41.0	0.5	2.1	2.1	0.5	39.0
Suezmax	HSH 1	Hero	99%	95%	48.5	49.0	0.5	2.5	2.5	0.5	46.6
MR	HSH 2	Citron	107%	95%	22.5	21.0	(1.5)	1.1	2.6	0.0	20.0
MR	HSH 2	Citrus	107%	95%	23.6	22.0	(1.6)	1.1	2.7	0.0	20.9
Handy	DVB NLB SAN	Acor	96%	95%	20.1	21.0	0.9	1.1	1.1	0.9	20.0
Handy	DVB NLB SAN	Carry	100%	95%	21.0	21.0	0.0	1.1	1.1	0.0	20.0
Handy	DVB NLB SAN	Rova	100%	95%	21.0	21.0	0.0	1.1	1.1	0.0	20.0
Handy	DVB NLB	Cotton	100%	95%	21.0	21.0	0.0	1.1	1.1	0.0	20.0
Handy	DVB NLB	Cargo	91%	95%	21.0	23.0	2.0	1.2	1.2	2.0	21.9
Handy	DVB NLB	Rock	95%	95%	21.9	23.0	1.1	1.2	1.2	1.1	21.9
Handy	DVB NLB	Rocket	95%	95%	21.9	23.0	1.1	1.2	1.2	1.1	21.9
Handymax	DVB	Asia	102%	95%	19.4	19.0	(0.4)	1.0	1.3	0.0	18.1
Mini Bulker	DVB	Earth	98%	95%	2.9	3.0	0.1	0.2	0.2	0.1	2.9
Mini Bulker	DVB	Wind	98%	95%	2.9	3.0	0.1	0.2	0.2	0.1	2.9
Subtotal Facility #1		20	99%	95%	504.7⁽¹⁾	511.0	(5.9)⁽²⁾	25.6	31.5⁽³⁾	12.2	485.5

⁽¹⁾ To be adjusted for repayments before closing of the transaction (figures do not include principal repayments made week ending Feb 22)

⁽²⁾ Represents sum of shortfall only

⁽³⁾ Total amount of equity related to sale / purchase of vessels in Facility #1

⁽⁴⁾ \$4.1m related to excess collateral in Unicredit facility could be eliminated and repaid/refinanced through NSF 2nd Lien

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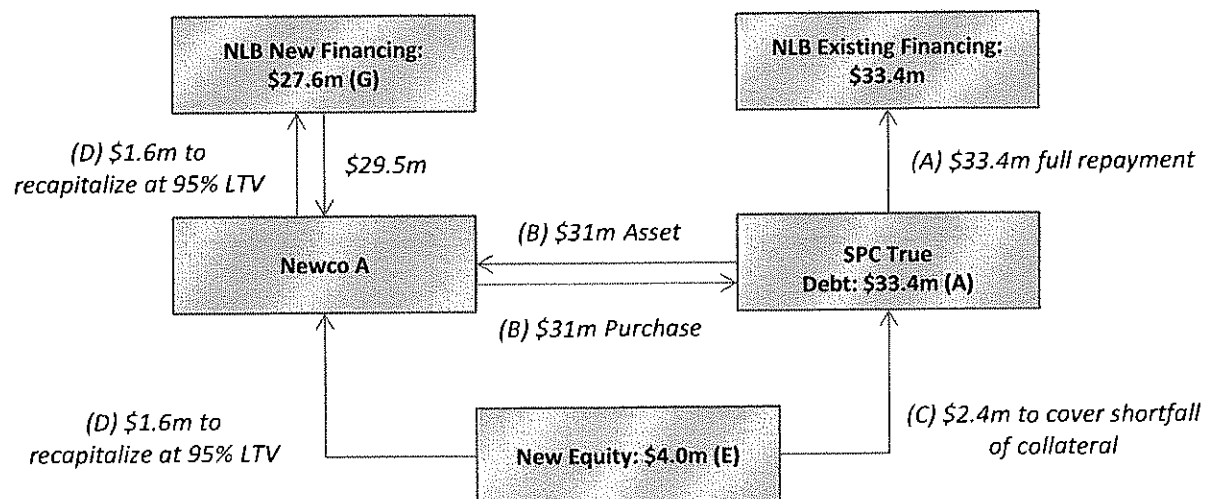
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Plan B – Split of Fleet via Newco: Alpha

Structuring – Example #1

Type	Facility	Name	Current LTV	Proposed LTV	(A) Actual Outstanding Loan	(B) Current Estimated Value	(C) Excess / Shortfall	(D) Capital required in Newco LTV of 95%	(E) Capital required in Newco LTV of 95% and to cover shortfall of collateral	(F) Excess going into Newco LTV of 95%	(G) New debt introduced
Abacus	NLB	True	30%	95%	\$3.4	\$1.0	1.4	1.6	4.0	0.0	2.5
					(B-A)			(B*1.95%)	(E-Negative C)	(Positive C)	(B-A)

1. True is sold from Oldco to Newco Alpha at market value \$31m (B)
2. Any shortfall against the mortgage is funded by \$2.4m new equity (C) and the whole of the Oldco debt is paid down. If there is value above the mortgage, the excess cash remains in Oldco
3. NLB and New Equity recapitalize Newco at a maximum of 95% LTV; NLB has reduced its exposure by \$3.9m and improved LTV by 13%

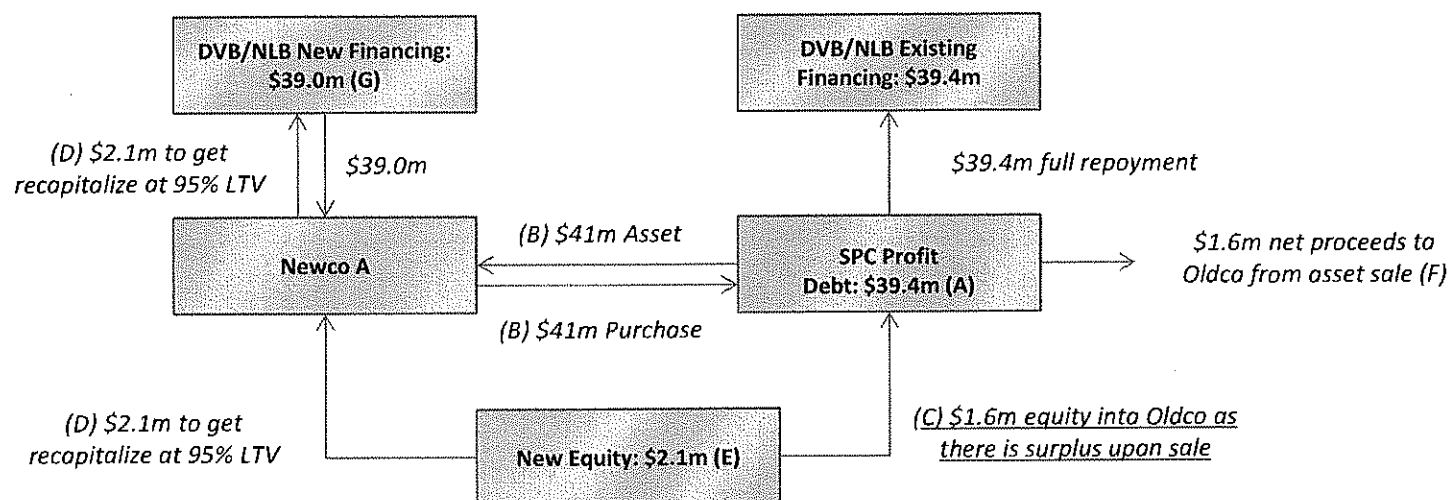


Note: Indicative transaction structure subject to legal due diligence

Structuring – Example #2

Type	Facility	Name	Current ITR	Proposed ITR	Actual Outstanding Year	Current Estimated Value	Interest / Shareholder agreement (€-€)	Capital required in Round 1 (IIV of 2004)	Capital required in Round 2 (IIV of 2004) and to cover delivery (Development C)	Equity going into this transaction (€-€)	New debt (€-€)
Subsidiary	DAE Ltd	Profit	50%	27%	2004	41.0	1.6	1.1	2.1	1.6	29.5

1. Profit is sold from Oldco to Newco Alpha at \$41m market value (B)
2. If there is value above the mortgage, the excess cash remains in Oldco (C). Any shortfall would need to be funded via additional equity
3. DVB and New Equity recapitalize Newco at maximum of 95% LTV; NLB has reduced its exposure by \$0.4m and improved LTV by 1%



Note: indicative transaction structure subject to legal due diligence

Plan B – Split of Fleet via Newco: Alpha

Structuring

- ▶ Facility#2: Lloyds vessels sold and refinancing provided on the same terms
- ▶ Facility#3: Natixis vessels sold and refinancing provided on the same terms; Namrun facility extended and ship potentially sold in 2-3 yrs
- ▶ Facility#4: Credit Europe sold and refinancing provided on the same terms
- ▶ Facility#5: Dekabank vessels sold and refinancing provided on PAYC basis and no covenants
- ▶ Facility#6: NSF Second Lien behind Unicredit on the same terms

Facility	Facility	Name	Current LTV	Pre-Transaction LTV	Actual Outstanding Debt	Current Estimated Value	Facility / Shortfall	Capital required in Newco (LTV of 95%)	Capital required in Newco (LTV of 95%) and to cover deficiency from Debt Co	Equity going into Newco	New debt drawn down (B - A)
FACILITY #2 Lloyds facility rolled over into Newco Alpha on existing terms											
Suezmax	Lloyds	Peak	88%	88%	31.3	44.9	\$ 7	\$ 7	\$ 7	\$ 7	12.9
Suezmax	Lloyds	Blank	68%	68%	32.2	47.0	14.8	14.8	14.8	14.8	32.2
Suezmax	Lloyds	Reef	75%	75%	34.6	46.0	11.4	11.4	11.4	11.4	34.6
FACILITY #3 Natixis facilities rolled over into Newco Alpha on existing terms											
Capesize	Natixis 1	Scope	87%	87%	23.4	27.0	n/a	n/a	n/a	n/a	23.4
Handymax	Natixis 2	Namrun	88%	88%	14.0	16.0	n/a	n/a	n/a	n/a	14.0 (2)
FACILITY #4 Loan includes \$37.5m new refinancing from Credit Europe plus \$16.1m 2 nd priority loans relating to the Scope and the Namrun											
Suezmax	Credit Europe	Royal	107% (1)	107%	53.6	50.0	n/a	n/a	0.0	0.0	53.6
FACILITY #5 Dekabank facility rolled over into Newco but paid only from available cash from these vessels											
Handymax	Deka	Tarsus	133%	133%	24.0	18.0	n/a	n/a	n/a	n/a	24.0
Handymax	Deka	Spot	139%	139%	25.0	18.0	n/a	n/a	n/a	n/a	25.0
Handymax	Deka	Clear	139%	139%	25.0	18.0	n/a	n/a	n/a	n/a	25.0
FACILITY #6 NSF 2 nd Lien facilities											
			n/a	n/a	25.5	n/a	n/a				25.5
TOTAL Newco Alpha											
	29	97%	95%	799.3	795.0	(5.9) (3)	58.5	64.4	44.6	784.0	
					MV of Newco Alpha Assets			Total Capital required		New Alpha debt	

⁽¹⁾ Royal refinancing includes second lien ; LTV on first lien is 75%

⁽²⁾ Equity value from the rollover of the Namrun loan on \$16m in MV; equity not retained by Oldco due to 2nd Lien by Credit Europe

⁽³⁾ Represents sum of shortfall only

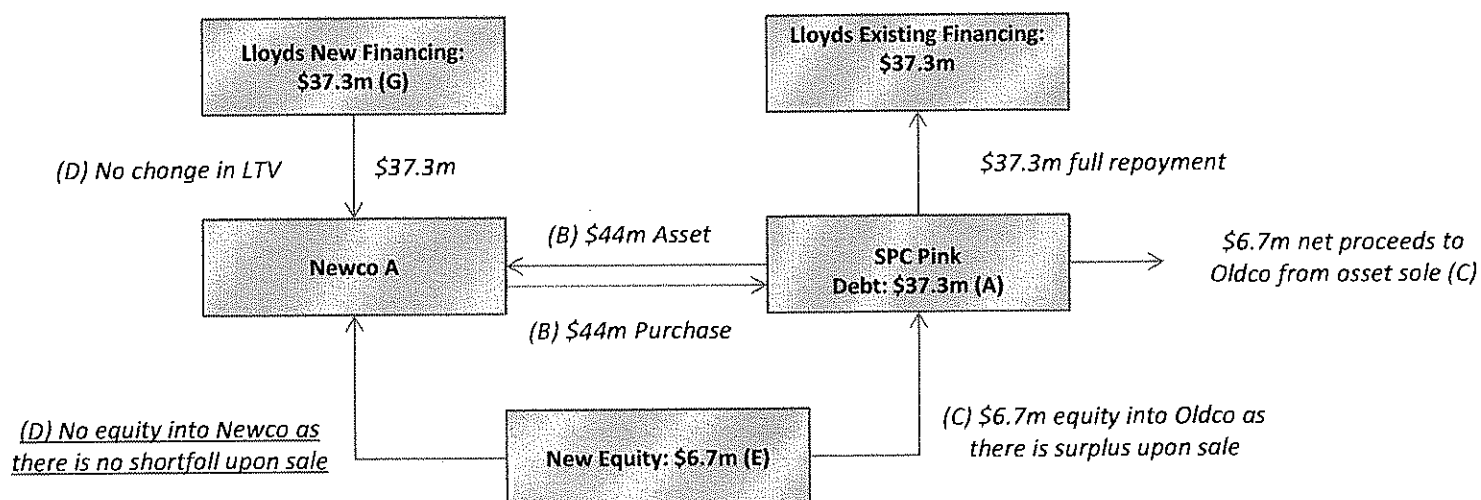
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Plan B – Split of Fleet via Newco: Alpha

Structuring – Example #3

Type	Facility	Name	Current LTV	Proposed LTV	Actual Outstanding Loan	Current Estimated Value	Excess / Shortfall	Capital required in Newco	Capital required in Newco (LTV of 95%) and to cover shortfall	Equity going into Newco	New debt introduced
Summit	Lloyds	Pub	85%	85%	\$7.5	\$8.0	\$0.5	\$0	\$0	\$0	\$0

1. Pink is sold from Oldco to Newco Alpha at market value (B)
2. The excess cash over the mortgage value remains in Oldco (C)
3. Lloyds and New Equity recapitalize Newco at a maximum of 95% LTV; Given that coverage is lower than 95% (85%), no new equity is required upon refinancing of Newco with \$37.3m in debt



Note: Indicative transaction structure subject to legal due diligence

DRAFT - PRELIMINARY

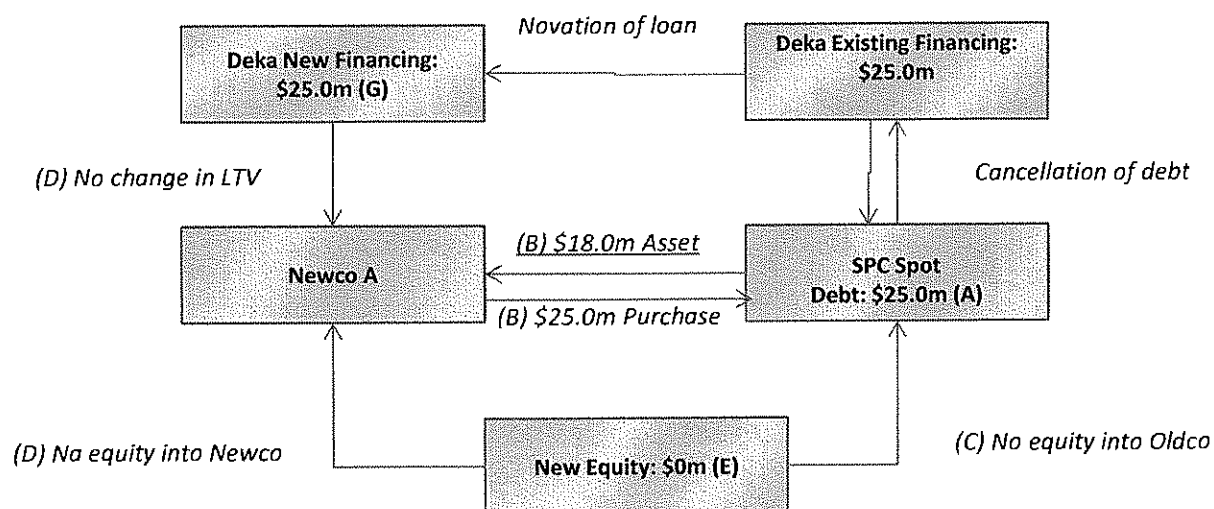
Plan B – Split of Fleet via Newco: Alpha

Structuring – Example #4

Type	Facility	Name	Current LTV	Pro Forma LTV	(A) Actual Outstanding Loan	(B) Current Estimated Value	(C) Excess / (Shortfall) upon sale [B-A]	(D) Capital required in NewCo	(E) Capital required in NewCo (LTV of 95%) and to cover deficiency [D+Negative C]	(F) Equity going into OldCo [Positive C]	(G) New debt drawdown [D - A]
Handymax	Deka	Spot	139%	139%	25.0	18.0		0.0	0.0	0.0	25.0

1. Spot is sold from Oldco to Newco Alpha at \$25m being equivalent to outstanding loans
2. Loans are novated to Newco
3. Loans are paid out of available cash on the vessel only

Amount of loan novated is beyond market value at the time of the transaction; no recapitalization



Note: Indicative transaction structure subject to legal due diligence

Plan B – Split of Fleet via Newco: Alpha

Structuring – Sources and Uses, Pro Forma Balance Sheet

Sources		Uses	
New equity ⁽¹⁾	64.4	Purchase of assets	784.0
New financing	784.0	Net bank debt paydown	19.3
		Equity to cover collateral shortfall and excess value	45.1
Total Sources	\$848.4	Total Uses	\$848.4

⁽¹⁾ Does not include additional liquidity for operational cash

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Plan B – Split of Fleet via Newco: Beta

Structuring

- ▶ **Newco Beta:** Contains 4 Bulkers financed by Chinese banks. These are considerably under water yet they must be offered attractive terms given that the Chinese banks benefit from a Corporate Guarantee.
- ▶ **Assumptions :** Loans novated to Newco Beta on existing terms. **Subject to an appropriate rescheduling of obligations we do not envisage equity being required for Newco Beta.**

Type	Facility	Name	Current LTV	Pre Renm LTV	(A) Actual Outstanding Loan	(B) Current Estimated Value
Capesize	CCB	Flash	100%	100%	33.1	33.0
Capesize	CCB	Proud	100%	100%	33.1	33.0
Capesize	CDB	Angel	119%	119%	43.0	36.0
Capesize	CDB	Pretty	125%	125%	45.1	36.0
Total Newco Beta		4	112%	112%	154.3	138.0

DEK-BANK copy, March 6 2013

Plan B – Split of Fleet via Newco: Group C

Structuring

- ▶ **Group C:** Contains 11 Bulkers financed by GB Global as well as the NSF-financed vessels.
- ▶ **Assumptions :** Entity would require revision of current contractual debt service in order to maintain liquidity; Subject to adequate concessions, facilities could opt into Newco Alpha or desist from participation and take ships back

Type	Facility	Name	Current LTV	Pro Forma LTV	(A) Actual Outstanding Loan	(B) Current Estimated Value
Kamsarmax	GB Global	Cash	96%	96%	26.0	27.0
Kamsarmax	GB Global	Coll./Chance	96%	96%	26.0	27.0
Kamsarmax	GB Global	City	96%	96%	26.0	27.0
Handymax	NSF	South	84%	84%	19.3	23.0
Handymax	NSF	East	84%	84%	19.3	23.0
Handymax	GB Global	West	103%	103%	23.7	23.0
Handymax	GB Global	Secret	103%	103%	23.7	23.0
Handymax	GB Global	Sharp	103%	103%	23.7	23.0
Handymax	GB Global	Capital	103%	103%	23.7	23.0
Handymax	GB Global	Metropol	103%	103%	23.7	23.0
Handymax	GB Global	World	103%	103%	23.7	23.0
Total Group C		11	98%	98%	258.8	265.0

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Plan B – Split of Fleet: Residual Oldco: Group D

Structuring

- **Group D, Geden Oldco:** 11 Group D vessels make up the residual fleet and are not part of the Company's future. These include the vessels funded by FSL, Icon, Octavian and Stealth when traditional financing was unavailable. Baytur will be sold April 2013.
- **Assumptions :** Entity would require revision of current contractual debt service in order to maintain liquidity; Proceeds from the sale to Newco Alpha would provide liquidity to pay down payables.

Type	Facility	Vessel	Current LTV	Pro Forma LTV	(A) Adjusted Outstanding Loan (% of bases)	(B) Current Estimated Value
Aframax	FSL	Aqua	234%	234%	60.8	26.0
Aframax	FSL	Action	234%	234%	60.8	26.0
Aframax	Stealth	Spike	177%	177%	55.0	31.0
Aframax	Stealth	Avor	176%	176%	54.5	31.0
Suezmax	Icon 1	Center	145%	145%	67.9	47.0
Panamax	Octavian 1	Enjoy	141%	141%	42.2	30.0
Panamax	Octavian 2	Marka	128%	128%	41.0	32.0
Handymax	Icon 2	Fantastic	157%	157%	29.9	19.0
Handymax	Icon 2	Amazing	157%	157%	29.9	19.0
Chartered - Afra_Tanker	not ours	CV Stealth				
Chartered - Afra_Tanker	not ours	CS Stealth				
Subtotal SPVs		11 ⁽¹⁾	169%	169%	441.9	261.0
Corporate facility	Bank Asya				39.5	
Total Group D					481.4	

⁽¹⁾ Baytur sold before the transaction

Plan B – Summary

Bank Exposure: By Facility

	Estimated Value	Current debt	LTV Current	PF Debt	LTV After	Change in debt	Change in LTV
Unicredit	99.0	94.9	96%	94.1	95%	(0.8)	-1%
NLB	60.0	62.1	104%	57.0	95%	(5.1)	-9%
HSH 2	43.0	46.1	107%	40.9	95%	(5.3)	-12%
DVB	25.0	25.3	101%	23.8	95%	(1.5)	-6%
CB NLB BrLB	41.0	40.5	99%	39.0	95%	(1.5)	-4%
DVB NLB SAN	63.0	62.1	99%	59.9	95%	(2.3)	-4%
HSH 1	49.0	48.5	99%	46.6	95%	(2.0)	-4%
DVB NLB	131.0	125.2	96%	124.5	95%	(0.8)	-1%
GB Global	219.0	220.3	101%	220.3	101%	0.0	0%
CDB	72.0	88.1	122%	88.1	122%	0.0	0%
CCB	66.0	66.2	100%	66.2	100%	0.0	0%
Credit Europe	50.0	53.6	107%	53.6	107%	0.0	0%
Lloyds	137.0	104.1	76%	104.1	76%	0.0	0%
NSF	46.0	38.5	84%	38.5	84%	0.0	0%
Natixis 1	27.0	23.4	87%	23.4	87%	0.0	0%
Natixis 2	16.0	14.0	88%	14.0	88%	0.0	0%
Octavian 2	32.0	41.0	128%	41.0	128%	0.0	0%
Octavian 1	30.0	42.2	141%	42.2	141%	0.0	0%
Deka	54.0	74.0	137%	74.0	137%	0.0	0%
Icon 1	47.0	67.9	145%	67.9	145%	0.0	0%
Icon 2	38.0	59.7	157%	59.7	157%	0.0	0%
Stealth	62.0	109.5	177%	109.5	177%	0.0	0%
FSL	52.0	121.6	234%	121.6	234%	0.0	0%
TOTAL	1,459.0	1,628.8	112%	1,609.5	110%	(19.3)	-1%

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Plan B – Summary

Bank Exposure: By Bank

	Estimated Value	Current debt	LTV Current	PF Debt	LTV After	Change in debt	Change in LTV
Unicredit	99.0	94.9	96%	94.1	95%	(0.8)	-1%
NLB	170.1	168.8	99%	161.6	95%	(7.1)	-4%
DVB	106.3	103.4	97%	100.9	95%	(2.5)	-2%
Commerzbank	14.8	14.6	99%	14.0	95%	(0.6)	-4%
BrLB	13.1	13.0	99%	12.5	95%	(0.5)	-4%
Santander	23.8	22.5	95%	22.0	93%	(0.6)	-2%
HSB	92.0	94.6	103%	87.4	95%	(7.2)	-8%
GB Global	219.0	220.3	101%	220.3	101%	0.0	0%
CDB	72.0	88.1	122%	88.1	122%	0.0	0%
CCB	66.0	66.2	100%	66.2	100%	0.0	0%
Credit Europe	50.0	53.6	107%	53.6	107%	0.0	0%
Lloyds	137.0	104.1	76%	104.1	76%	0.0	0%
NSF	46.0	64.0	139%	64.0	139%	0.0	0%
Natixis	35.0	30.4	87%	30.4	87%	0.0	0%
Octavian	62.0	83.2	134%	83.2	134%	0.0	0%
Deka	54.0	74.0	137%	74.0	137%	0.0	0%
Icon	85.0	127.6	150%	127.6	150%	0.0	0%
Stealth	62.0	109.5	177%	109.5	177%	0.0	0%
FSL	52.0	121.6	234%	121.6	234%	0.0	0%
TOTAL	1,459.0	1,654.3	113%	1,635.0	112%	(19.3)	-1%



IV. Financial Analysis

DEKABANK copy, March 6 2013

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Assumptions

General

- Business plan is based on the following main assumptions:

Operations

- 20 offhire days for drydocking
- Rates applied to reflect type of vessel, adjusted for contract terms
- Charter-out options exercised if below market rate
- No Opex inflation
- No working capital movements

Investments

- Dry docking taken from technical management schedule
- No asset sales
- Capex as per financing commitments
- Charter-in come off upon expiry
- Purchase obligations resold at loss/gain equal to current differential between market value and financial obligation

Financing

- No variation in current base rate
- Margins as per specific facilities (following pages)
- Amortization as per specific facilities
- No interest rate swap
- Refinancing of Royal providing \$27.5m net liquidity post HSH repayment and before any repayment to yard (\$10m)
- Extension of Namrun on same terms upon Nov-13 maturity; likely to be sold within 2-3 years

Restructuring

- No mechanism for bareboat catch-up
 - Bareboat purchase options not exercised
 - No restructuring fees
 - All bank deferrals assumed to take on new profile or bullet repayment (no assumption on bareboat deferrals)
-

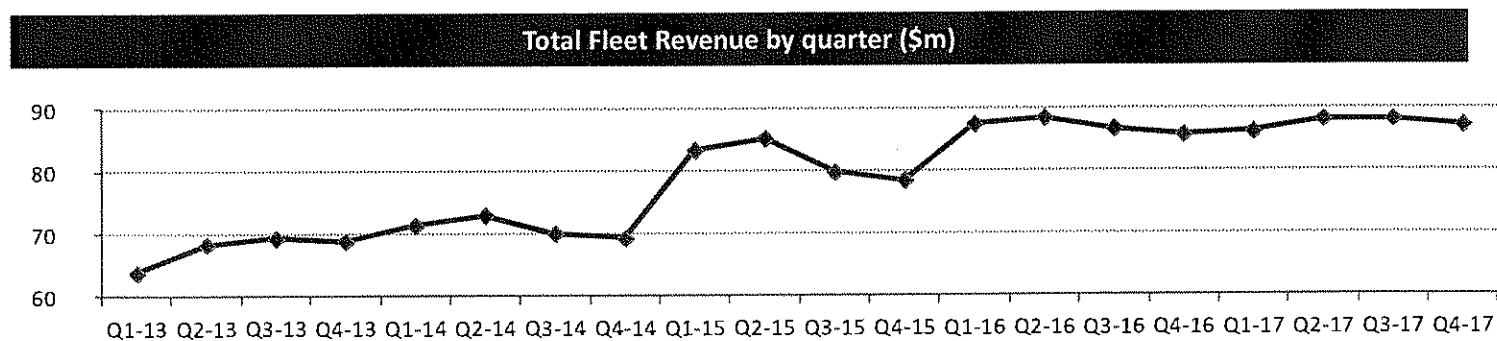
Assumptions

Rates

- The Company's market projections imply CAGR increases of 8-11% for the majority of the fleet:

\$/day	2013	2014	2015	2016	2017	CAGR (12-17)
Aframax Tanker	14,000	14,000	17,500	19,000	21,000	8%
Suezmax Tanker	15,000	15,000	22,000	24,000	24,000	8%
Panamax Tanker	13,500	13,500	14,500	17,500	17,500	5%
MR Pro/Chem Tanker	13,000	13,000	15,000	15,000	15,000	3%
Ice Class Pro/Chem Tanker	12,500	12,500	14,000	14,000	14,000	3%
Capesize Bulk Carrier	15,000	17,500	20,000	22,000	22,000	11%
Kamsarmax Bulk Carrier	12,500	15,000	15,000	20,000	20,000	15%
Supramax Bulk Carrier	10,000	11,000	15,000	17,500	17,500	17%
Mini Bulk Carrier	5,000	6,000	7,000	8,000	8,000	15%

- The actual revenue increase accruing to the fleet through the projection differs as a result of the exercise of charter options and the JV structure on certain vessels (mainly Shell). Revenue CAGR through the period is 6.6%



Financial Analysis

Summary of Terms: Newco Alpha

NewCoAlpha #1	Terms
Senior Facilities	- NLB, Uni, DVB NLB, CB NLB BrLB, HSH1, HSH2, DVB NLB SAN, DVB NLB, DVB
Amount	- \$485.5m (\$504.7m outstanding pre-transaction)
Interest	- Base Rate: LIBOR - Margin: 300bps w/ potential step-up based on prevalent rates
Amortization	- 9-month grace period - Straight line profile based on first 15 years of vessel life - 5 year maturity
Covenants	- 95% LTV at close - 85% in Q4 14; 80% in Q4 15
Security	- Share pledges, mortgages, earnings
Other	- Removal of all deposit accounts

NewCoAlpha #2	Terms
Senior Facilities	- Lloyds
Amount	- \$104.1m (no change)
Interest	- Base Rate: LIBOR - Margin: No change (300bps)
Amortization	- Current profile - Elimination of cash sweep
Covenants	- No change
Security	- Share pledges, mortgages, earnings
Other	- n/a

NewCoAlpha #3	Terms
Senior Facilities	- Natixis
Amount	- \$37.4m (no change)
Interest	- Base Rate: LIBOR - Margin Scope: 160bps - Margin Namrun: 120bbps - 300bps starting with refinancing of Namrun
Amortization	- Current profile
Covenants	- No change
Security	- Share pledges, mortgages, earnings
Other	- n/a

Financial Analysis

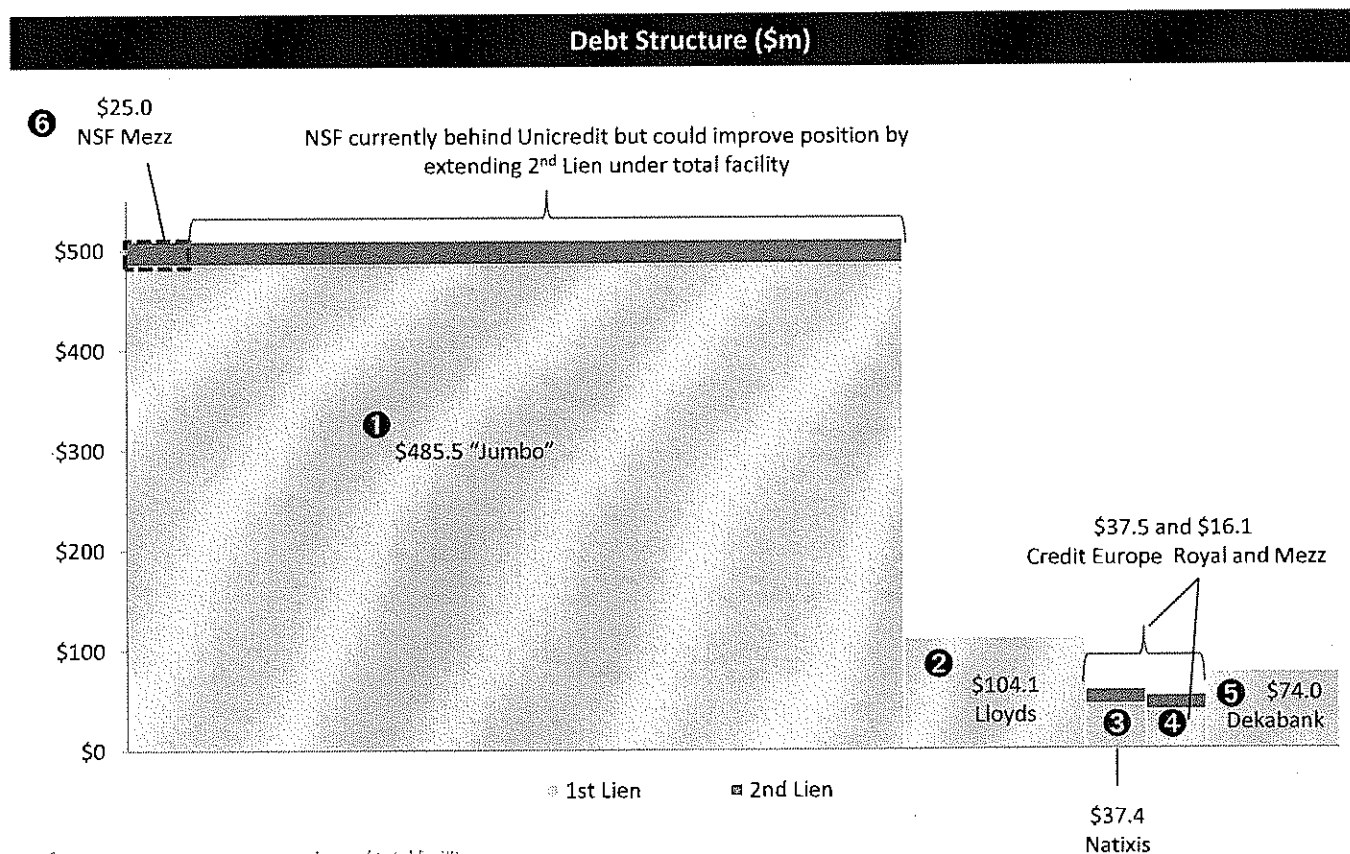
Summary of Terms: Newco Alpha

NewCoAlpha #4	Terms	NewCoAlpha #5	Terms
Senior Facilities	- Credit Europe 1 st and 2 nd Lien on Royal, Namrun, Scope	Senior Facilities	- Dekabank
Amount	- \$53.6m (\$37.5m 1 st plus \$16.1m 2 nd)	Amount	- \$74.0 (no change)
Interest	- Base Rate: n/a - Interest Royal 1 st Lien : 800bps - Interest 2 nd Lien: 1,000bps	Interest	- Base Rate: LIBOR - Margin Tarsus: 245bps - Margin Spot: 185bps - Margin Clear: 245bps
Amortization	- Current profile	Amortization	- Amortisation on a cash/pay-as-you-can basis from vessel earnings
Covenants	- 2 year grace and 5 year profile	Covenants	- Suspended
Security	- Share pledges, mortgages, earnings	Security	- Share pledges, mortgages, earnings
Other	- n/a	Other	- Removal of all deposit accounts - Coordination agreement prohibiting recourse to the remainder of the group
NewCoAlpha #6	Terms		
Senior Facilities	- NSF 2 nd Lien (behind Unicredit)		
Amount	- \$25.5m (no change)		
Interest	- Base Rate: n/a - Fixed Margin: 1,150bps		
Amortization	- Current profile		
Covenants	- No change		
Security	- 2 nd Mortgages with possibility of additional 2 nd priority mortgages on entire facilities		
Other	- n/a		

Financial Analysis

Summary of Terms: Newco Alpha

► The below tables summarises the features of debt on Newco Alpha



Financial Analysis

Newco Alpha Quarterly Cashflow

	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15
OPERATING ACTIVITIES											
Income	-	36.0	35.5	36.2	37.2	37.9	37.5	44.7	44.8	42.9	42.7
OPEX	-	(16.9)	(16.7)	(16.6)	(16.9)	(16.9)	(16.7)	(16.6)	(16.9)	(16.9)	(16.7)
Drydock	-	(0.4)	(1.0)	(0.5)	-	(0.9)	(0.8)	(0.9)	(1.8)	(0.9)	-
EBITDA	-	18.7	17.8	19.1	20.3	20.0	19.9	27.2	26.1	25.1	26.0
Working capital changes	-	-	-	-	-	-	-	-	-	-	-
Net operational cashflow	-	18.7	17.8	19.1	20.3	20.0	19.9	27.2	26.1	25.1	26.0
FINANCING ACTIVITIES											
Equity injections	-	74.4	-	-	-	-	-	-	-	-	-
Bank Interest (Senior)	-	(6.9)	(6.9)	(6.8)	(6.8)	(6.6)	(6.4)	(6.2)	(6.0)	(5.9)	(5.7)
Bank Principal Repayments ⁽¹⁾	-	-	(4.5)	(4.5)	(15.5)	(18.3)	(18.3)	(19.0)	(19.3)	(19.4)	(19.4)
NSF Interest (2nd lien)	-	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)
Pre-Del Drawdown	-	-	-	-	-	-	-	-	-	-	-
Bareboat Drawdowns	-	-	-	-	-	-	-	-	-	-	-
Pre-Del Repayments	-	-	-	-	-	-	-	-	-	-	-
Net Financing Cashflow	-	66.7	(12.2)	(12.1)	(23.0)	(25.6)	(25.4)	(26.0)	(26.1)	(26.0)	(25.9)
INVESTMENT ACTIVITIES											
Capex	-	-	-	-	-	-	-	-	-	-	-
Asset Purchases ⁽²⁾	-	(64.4)	-	-	-	-	-	-	-	-	-
Net Investment	-	(64.4)	-	-	-	-	-	-	-	-	-
Net cashflow for period	-	21.0	5.6	7.1	(2.7)	(5.6)	(5.5)	1.2	0.0	(1.0)	0.1
Cumulative net cash balance	-	20.8	26.4	33.5	30.7	25.1	19.6	20.8	20.8	19.9	20.0
RATIOS (Beginning of Period)											
Senior Debt Balance	-	(754.5)	(754.5)	(750.0)	(745.5)	(730.0)	(711.7)	(693.4)	(674.4)	(655.1)	(635.6)
NSF 2nd lien Balance	-	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)
Leverage: (Debt/EBITDA)	0.00x	10.44x	10.96x	10.13x	9.49x	9.44x	9.26x	6.60x	6.70x	6.79x	6.36x
Hamburg Jumbo Facility LTV		95%	96%	97%	98%	97%	96%	95%	94%	93%	92%
Hamburg Jumbo Value (depreciated)	-	511.0	504.7	498.5	492.2	485.9	479.6	473.4	467.1	460.8	454.5
Vessels	29	29	29	29	29	29	29	29	29	29	29

⁽¹⁾ 9 months principal deferral on the Jumbo facility would be necessary to establish minimum liquidity requirements. Shortfall in absence of this shown above.

⁽²⁾ Asset purchases net of new financing

⁽³⁾ Equity cure for 85% covenant in Q4 14 and 80% for Q4 16

⁽⁴⁾ Value based on depreciation of current market value; depreciation based on remaining life and scrap value (DWT/6*\$400)

Financial Analysis

Summary of Terms: Newco Beta

- ▶ The below tables summarises the features of debt on Newco Beta

NewCo Beta:	Terms
Senior Facilities	- CCB, CDB
Amount	- \$154.3m (no change)
Interest	- No change to existing agreements
Amortization	- No change to existing agreements
Covenants	- No change to existing agreements
Security	- No change to existing agreements
Other	- n/a

Financial Analysis

Newco Beta Quarterly Cashflow

	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15
OPERATING ACTIVITIES											
Income	-	9.3	9.2	9.4	8.8	6.4	6.4	7.2	7.4	7.4	7.3
OPEX	-	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)
Drydock	-	-	-	(0.9)	(0.9)	-	-	-	-	-	-
EBITDA	-	7.1	7.0	6.4	5.8	4.2	4.2	5.0	5.2	5.2	5.1
Working capital changes	-	-	-	-	-	-	-	-	-	-	-
Net operational cashflow	-	7.1	7.0	6.4	5.8	4.2	4.2	5.0	5.2	5.2	5.1
FINANCING ACTIVITIES											
Equity injections	-	-	-	-	-	-	-	-	-	-	-
Bank Interest	-	(1.3)	(1.3)	(1.2)	(1.2)	(1.1)	(1.1)	(1.0)	(1.0)	(1.0)	(0.9)
Bank Principal Repayments	-	(6.1)	(6.1)	(6.1)	(6.4)	(6.4)	(6.4)	(6.4)	(6.4)	(3.4)	(3.4)
Bareboat Payments	-	-	-	-	-	-	-	-	-	-	-
Pre-Del Drawdown	-	-	-	-	-	-	-	-	-	-	-
Bareboat Drawdowns	-	-	-	-	-	-	-	-	-	-	-
Pre-Del Repayments	-	-	-	-	-	-	-	-	-	-	-
Net Financing Cashflow	-	(7.4)	(7.4)	(7.3)	(7.6)	(7.6)	(7.5)	(7.4)	(7.4)	(4.4)	(4.4)
INVESTMENT ACTIVITIES											
Capex	-	-	-	-	-	-	-	-	-	-	-
Asset Purchases	-	-	-	-	-	-	-	-	-	-	-
Net Investment	-	-	-	-	-	-	-	-	-	-	-
Net cashflow for period	-	(0.4)	(0.4)	(0.9)	(1.8)	(3.3)	(3.3)	(2.4)	(2.3)	0.8	0.7
Cumulative net cash balance	-	(0.4)	(0.8)	(1.7)	(3.5)	(6.8)	(10.2)	(12.6)	(14.8)	(14.1)	(13.3)
RATIOS (Beginning of Period)											
Debt Balance	-	(161.3)	(155.2)	(149.0)	(142.9)	(136.5)	(130.0)	(123.6)	(117.2)	(110.8)	(107.3)
Bareboat balance	-	-	-	-	-	-	-	-	-	-	-
Leverage: (Debt/EBITDA)	0.00x	5.69x	5.54x	5.82x	6.20x	8.06x	7.77x	6.13x	5.69x	5.37x	5.27x
Loan to value	0%	118%	115%	111%	108%	104%	100%	96%	92%	88%	86%
Value (depreciated)	138.0	136.7	135.4	134.1	132.8	131.4	130.1	128.8	127.5	126.2	124.9
Vessels	4	4	4	4	4	4	4	4	4	4	4

⁽¹⁾ Value based on depreciation of current market value; depreciation based on remaining life and scrap value (DWT/6*\$400)

Financial Analysis

Geden Oldco Quarterly Cashflow

	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15
OPERATING ACTIVITIES												
Income	64.9	59.0	24.3	24.3	25.5	26.3	25.9	25.6	31.6	32.3	29.0	28.8
OPEX	(29.8)	(28.9)	(12.5)	(12.4)	(12.3)	(12.5)	(12.5)	(12.4)	(12.3)	(12.5)	(11.4)	(11.0)
Drydock	(0.4)	(0.8)	-	-	(0.5)	-	-	-	-	(0.7)	(1.3)	-
EBITDA	34.7	29.3	11.8	11.9	12.7	13.7	13.3	13.2	19.3	19.1	16.3	17.7
Working capital changes ⁽¹⁾	-	-	-	-	-	-	-	-	-	-	-	-
Net operational cashflow	34.7	29.3	11.8	11.9	12.7	13.7	13.3	13.2	19.3	19.1	16.3	17.7
FINANCING ACTIVITIES												
Equity injections	-	-	-	-	-	-	-	-	-	-	-	-
Bank Interest	(10.6)	(9.8)	-	-	-	-	-	-	-	-	-	-
Bank Principal Repayments	(23.8)	(29.9)	(39.5)	-	-	-	-	-	-	-	-	-
Bareboat Payments	(17.8)	(19.8)	(20.8)	(20.8)	(20.4)	(20.6)	(20.7)	(20.7)	(20.3)	(20.5)	(18.6)	(18.6)
Pre-Del Drawdown	45.0	8.5	-	-	-	-	-	-	-	-	-	-
Bareboat Drawdowns	119.3	25.3	25.3	-	-	-	-	-	-	-	-	-
Pre-Del Repayments	(57.9)	(12.2)	(13.2)	-	-	-	-	-	-	-	-	-
Net Financing Cashflow	54.0	(38.0)	(48.2)	(20.8)	(20.4)	(20.6)	(20.7)	(20.7)	(20.3)	(20.5)	(18.6)	(18.6)
INVESTMENT ACTIVITIES												
Capex	(82.7)	(42.3)	-	-	-	-	-	-	-	-	⁽²⁾	-
Asset Sale net proceeds	-	5.5	44.6	-	-	-	-	-	-	-	(23.9)	-
Net Investment	(82.7)	(36.8)	44.6	-	-	-	-	-	-	-	(23.9)	-
Net cashflow for period	6.0	(45.5)	8.2	(8.9)	(7.7)	(6.9)	(7.4)	(7.6)	(0.9)	(1.4)	(26.2)	(0.8)
Cumulative net cash balance	41.0	(4.5)	3.7	(5.3)	(12.9)	(19.8)	(27.2)	(34.8)	(35.7)	(37.1)	(63.4)	(64.2)
RATIOS (Beginning of Period)												
Debt Balance	(1,109.5)	(1,064.2)	-	-	-	-	-	-	-	-	-	-
Bareboat balance	(471.3)	(453.4)	(433.7)	(412.8)	(392.0)	(371.7)	(351.1)	(330.3)	(309.6)	(289.3)	(268.8)	(250.3)
Vessels	56	55	22	22	22	22	22	22	22	22	20	20

⁽¹⁾ Working Capital change reflects paydown of corporate facility with cash from sale transaction; \$10m outstanding to Rongsheng is left unpaid

⁽²⁾ Purchase obligations on sale leasebacks assumed to generate cash loss equivalent to deficiency between current outstanding obligation and market value



V. Conclusions

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Current Proposal

Strategy and Objectives

- The solution provides, directly or indirectly, for the primary objectives held by the different stakeholders.

Objective	Comments
1. Compensate stakeholders adequately for their risk-weighted capital exposure and concessions	<ul style="list-style-type: none"> Assets with similar risk profile pooled together provides for better aligned incentives Lenders provided with adequate equity cushion, margins, and covenants Provides for recategorization of exposure from "Geden Holdings Ltd" to Newco where equity is "in-the-money" and shareholders are better incentivized to provide ongoing support
2. Constrain formal or informal cross subsidization between stakeholders related to different underlying assets	<ul style="list-style-type: none"> While it reduces the portfolio effect of a broader fleet, combining similar assets together limits risk of cross subsidies going from high to low collateral vessels Pooling through creation of unique syndicate facility would facilitate granting of a second priority mortgage through the fleet as well as increase liquidity of bank assets, enabling lenders to sell out of assets without disrupting operations
3. Ring-fence potential sources of disruption, holdout, or nuisance (such as arrests or sister-ship arrests)	<ul style="list-style-type: none"> Common set of incentives and exposure to recovery protects lenders from disruptive behaviour onset by other stakeholders with a markedly different position Sister-ship arrest risk minimized given shareholding structure in Newco
4. Maximize options for stakeholders and potential for self-selection	<ul style="list-style-type: none"> Rebasing of assets can provide mechanism for transfer from one Newco profile to another (ie. Group C and D into A) Opting out of the scheme can be achieved via mutually agreed terms for redelivery of vessel to relevant lender



Contents

- A. Facility Description
- B. Financials: Existing
- C. Market Overview

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Appendix

Facility Description

Facility	HSH1	HSH2	Natixis1	Natixis2	Icon1	Icon2	Octavian1	Octavian2
Debt / Bareboat	Debt	Debt	Debt	Debt	Bareboat	Bareboat	Bareboat	Bareboat
Vessels	Hero	Citron / Citrus	Scope	Namrun	Center	Fantasic / Amazing	Enjoy	Marka
Lender group	HSH	HSH	Natixis	Natixis	Icon [DVB]	Icon [DVB NLB]	Octavian [DVB]	Octavian [NLB]

Appendix: Transaction Analysis

Newco Beta Sources and Uses

Sources		Uses	
Existing debt rollover	154.3	Purchase at outstanding debt level	154.3
Total Sources	\$154.3	Total Uses	\$154.3

Additional liquidity to maintain operational cash balance not shown; Estimated at \$20m and could be financed via equity of deferrals

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Appendix: Transaction Analysis

Residual Oldco Sources and Uses

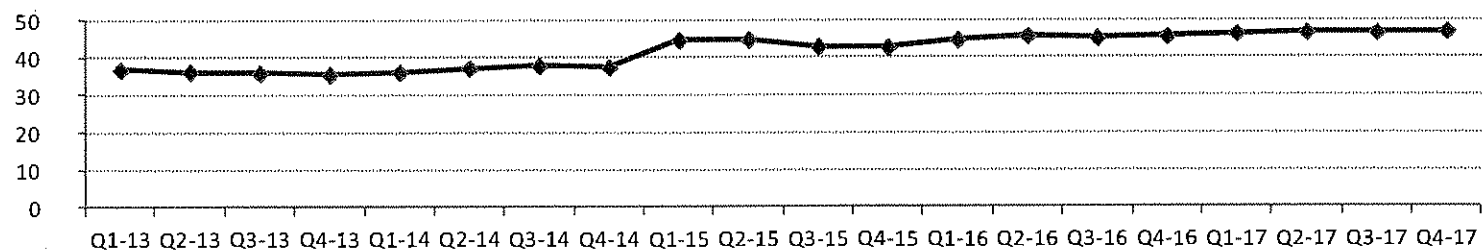
Sources		Uses	
Alpha Sale Receipts	828.6	Alpha Vessels Debt Repayment	780.0
Beta Sale Receipts	154.3	Beta Vessels Debt Repayment	154.3
Baytur Sale Receipts	13.6	Baytur Debt Repayment	8.4
Group C Sale Receipts	258.8	Group C Repayment	258.8
		Change in Working Capital (Repayment of A/P) & corp. facility	53.8
Total Sources	\$1,255.3	Total Uses	\$1,255.3

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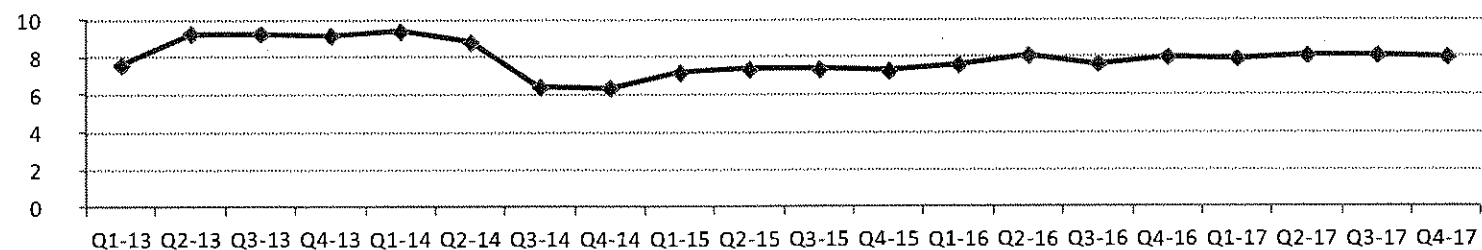
Assumptions

Revenue

Newco Alpha Revenue by quarter (\$m)



Newco Beta Revenue by quarter (\$m)

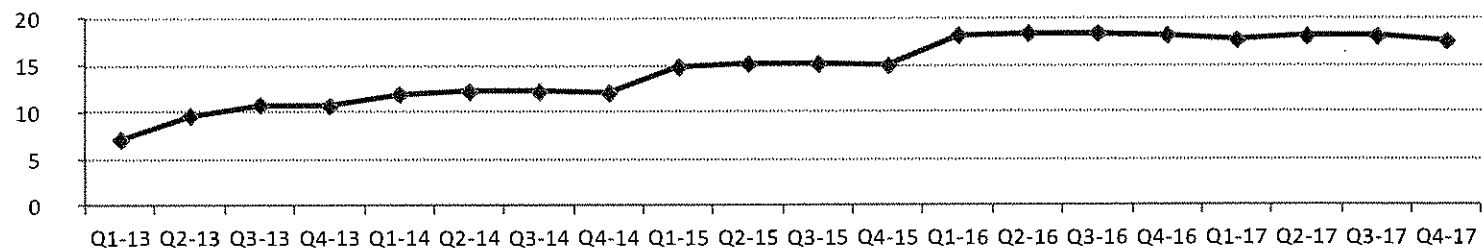


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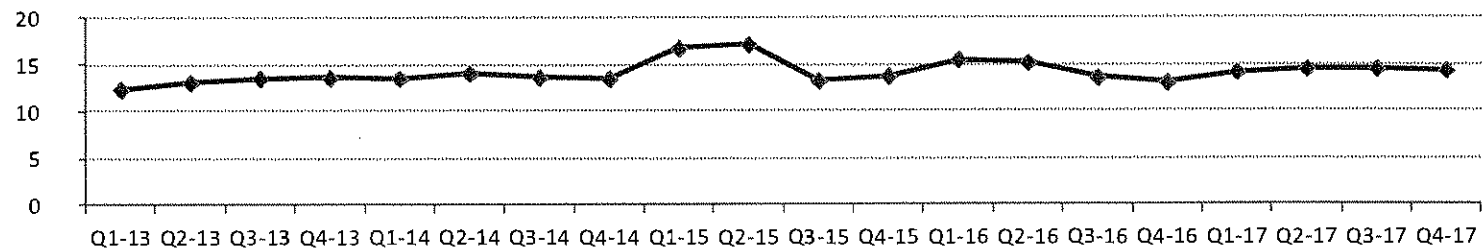
Assumptions

Revenue

Group C Revenue by quarter (\$m)



Group D Revenue by quarter (\$m)



Appendix: Additional Financial Analysis

Newco Alpha Five Year Cashflow

	2013	2014	2015	2016	2017
OPERATING ACTIVITIES					
Income	71.5	148.8	175.2	181.3	186.7
OPEX	(33.7)	(67.2)	(67.2)	(67.3)	(67.2)
Drydock	(1.4)	(2.3)	(3.6)	(6.3)	(2.3)
EBITDA	36.5	79.3	104.4	107.7	117.2
Working capital changes	-	-	-	-	-
Net operational cashflow	36.5	79.3	104.4	107.7	117.2
FINANCING ACTIVITIES					
Equity injections	74.4	-	-	-	-
Bank Interest (Senior)	(13.8)	(26.7)	(23.8)	(20.8)	(17.6)
Bank Principal	-	-	-	-	-
Repayments	(4.7)	(56.6)	(77.2)	(79.1)	(78.2)
NSF Interest (2nd lien)	(1.5)	(2.9)	(2.9)	(2.9)	(2.9)
Pre-Del Drawdown	-	-	-	-	-
Bareboat Drawdowns	-	-	-	-	-
Pre-Del Repayments	-	-	-	-	-
Net Financing Cashflow	54.4	(86.2)	(104.0)	(102.7)	(98.8)
INVESTMENT ACTIVITIES					
Capex	-	-	-	-	-
Asset Purchases	(64.4)	-	-	-	-
Net Investment	(64.4)	-	-	-	-
Net cashflow for period	26.4	(6.8)	0.4	4.9	18.4
Cumulative net cash balance	26.4	19.6	20.0	24.9	43.3
RATIOS (Beg. of Period)					
Senior Debt Balance	(754.5)	(749.8)	(693.2)	(616.0)	(536.9)
NSF 2nd lien Balance	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)
Leverage: (Debt/EBITDA)	21.40x	9.77x	6.88x	5.96x	4.80x
Hamburg Jumbo Facility LTV	95%	97%	95%	91%	86%
Value (depreciated)	511.0	498.5	473.4	448.3	423.2
Vessels	29	29	29	29	29

Appendix: Additional Financial Analysis

Newco Beta Five Year Cashflow

	2013	2014	2015	2016	2017
OPERATING ACTIVITIES					
Income	18.5	31.0	29.2	31.3	32.1
OPEX	(4.4)	(8.8)	(8.8)	(8.8)	(8.8)
Drydock	-	(1.7)	-	(1.3)	-
EBITDA	14.1	20.6	20.4	21.3	23.4
Working capital changes	-	-	-	-	-
Net operational cashflow	14.1	20.6	20.4	21.3	23.4
FINANCING ACTIVITIES					
Equity injections	-	-	-	-	-
Bank Interest	(2.6)	(4.6)	(3.9)	(3.3)	(2.7)
Bank Principal	-	-	-	-	-
Repayments	(12.3)	(25.4)	(19.7)	(20.2)	(20.2)
Bareboat Payments	-	-	-	-	-
Pre-Del Drawdown	-	-	-	-	-
Bareboat Drawdowns	-	-	-	-	-
Pre-Del Repayments	-	-	-	-	-
Net Financing Cashflow	(14.8)	(30.0)	(23.6)	(23.5)	(22.8)
INVESTMENT ACTIVITIES					
Capex	-	-	-	-	-
Asset Purchases	-	-	-	-	-
Net Investment	-	-	-	-	-
Net cashflow for period	(0.8)	(9.4)	(3.2)	(2.2)	0.5
Cumulative net cash balance	(0.8)	(10.2)	(13.3)	(15.6)	(15.0)
RATIOS (Beg. of Period)					
Debt Balance	(161.3)	(149.0)	(123.6)	(103.9)	(83.8)
Bareboat balance	-	-	-	-	-
Leverage: (Debt/EBITDA)	11.45x	7.24x	6.05x	4.89x	3.59x
Loan to value	117%	112%	97%	85%	72%
Value (depreciated)	138.0	132.8	127.5	122.3	117.0
Vessels	4	4	4	4	4

Appendix: Additional Financial Analysis

Residual Oldco Five Year Cashflow

	2013	2014	2015	2016	2017
OPERATING ACTIVITIES					
Income	172.5	103.2	121.6	121.3	105.5
OPEX	(83.7)	(49.7)	(47.2)	(39.6)	(33.6)
Drydock	(1.2)	(0.5)	(2.0)	(1.9)	(2.3)
EBITDA	87.7	52.9	72.4	79.7	69.6
Working capital changes	-	-	-	-	-
Net operational cashflow	87.7	52.9	72.4	79.7	69.6
FINANCING ACTIVITIES					
Equity injections	-	-	-	-	-
Bank Interest	(20.5)	-	-	-	-
Bank Principal Repayments	(93.2)	-	-	-	-
Bareboat Payments	(79.2)	(82.4)	(77.9)	(64.0)	(49.6)
Pre-Del Drawdown	53.4	-	-	-	-
Bareboat Drawdowns	169.8	-	-	-	-
Pre-Del Repayments	(83.3)	-	-	-	-
Net Financing Cashflow	(53.0)	(82.4)	(77.9)	(64.0)	(49.6)
INVESTMENT ACTIVITIES					
Capex	(125.0)	-	-	-	-
Asset Sale net proceeds	50.1	-	(23.9)	(37.2)	(24.1)
Net Investment	(75.0)	-	(23.9)	(37.2)	(24.1)
Net cashflow for period	(40.3)	(29.5)	(29.4)	(21.5)	(4.2)
Cumulative net cash balance	(5.3)	(34.8)	(64.2)	(85.7)	(89.9)
RATIOS (Beg. of Period)					
Debt Balance	(1,109.5)	-	-	-	-
Bareboat balance	(471.3)	(392.0)	(309.6)	(231.7)	(167.7)
Vessels	56	22	20	17	14

Appendix

Bank Exposure: Hamburg reduced to 90% LTV

- Equity required if LTV improved to 90% is \$90.0m (\$25.6m more than at an LTV of 95%)

	Estimated Value	Current debt	LTV Before	New Debt	LTV After	Change in debt	Change in LTV
Unicredit	99.0	94.9	96%	89.1	90%	(5.8)	-6%
NLB	170.1	168.8	99%	153.1	90%	(15.7)	-9%
DVB	106.3	103.4	97%	95.6	90%	(7.8)	-7%
Commerzbank	14.8	14.6	99%	13.3	90%	(1.3)	-9%
BrLB	13.1	13.0	99%	11.8	90%	(1.1)	-9%
Santander	23.8	22.5	95%	21.2	89%	(1.4)	-6%
HSH	92.0	94.6	103%	82.8	90%	(11.8)	-13%
GB Global	219.0	220.3	101%	220.3	101%	0.0	0%
CDB	72.0	88.1	122%	88.1	122%	0.0	0%
CCB	66.0	66.2	100%	66.2	100%	0.0	0%
Credit Europe	50.0	53.6	107%	53.6	107%	0.0	0%
Lloyds	137.0	104.1	76%	104.1	76%	0.0	0%
NSF	46.0	64.0	139%	64.0	139%	0.0	0%
Natixis	35.0	30.4	87%	30.4	87%	0.0	0%
Octavian	62.0	83.2	134%	83.2	134%	0.0	0%
Deka	54.0	74.0	137%	74.0	137%	0.0	0%
Icon	85.0	127.6	150%	127.6	150%	0.0	0%
Stealth	62.0	109.5	177%	109.5	177%	0.0	0%
FSL	52.0	121.6	234%	121.6	234%	0.0	0%
TOTAL	1,459.0	1,654.3	113%	1,609.4	110%	(44.8)	-3%

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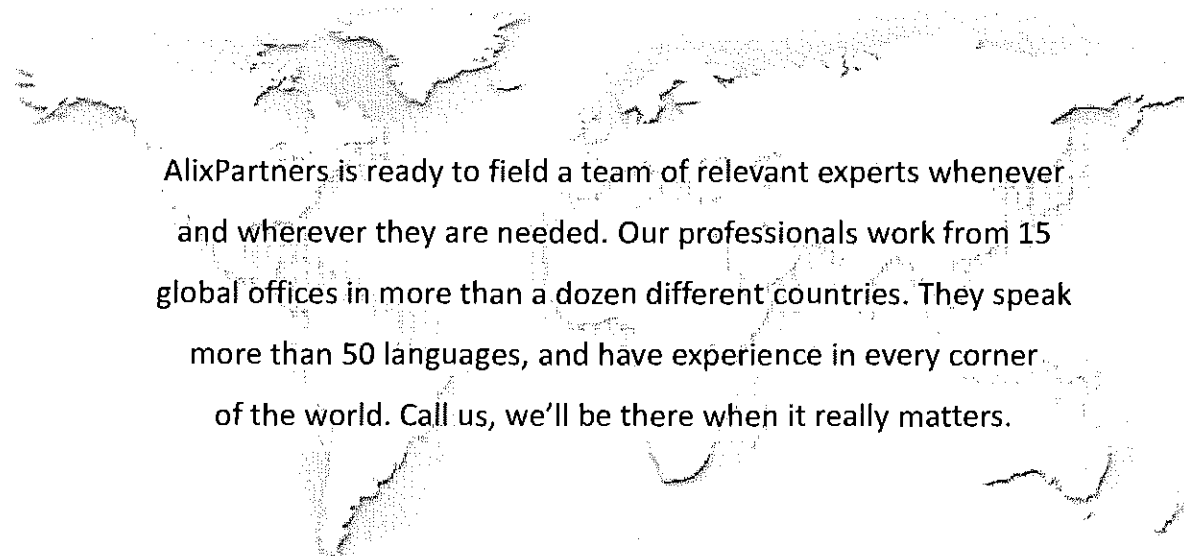
Appendix

Potential loss on bareboat purchase obligations

- There exist a number of obligations to purchase at future dates under the following bareboat agreements. The cashflows reflect the following losses occurring via purchase and resale at the obligation date. It assumes no changes to market values but applies depreciation to current estimated values over the time until the purchase and resale date. If the vessels were retained rather than crystallize the loss, then there would be a greater cash outflow for refinancing plus further ongoing loss on vessels were these occur.

	Purchase obligation (\$m)	Estimated value today (\$m)	Loss on resale (\$m)	Depreciated value (\$m)	Loss on resale (\$m)	Purchase Date	Years	Monthly depreciation
Avor	51.5	31	-20.5	27.6	-23.9	Aug-15	2.6	0.11
Enjoy	38.5	30	-8.5	25.5	-13.0	Apr-16	3.2	0.11
Centre	64.5	47	-17.5	40.2	-24.3	Jun-16	3.4	0.17
Marka	37	32	-5	26.0	-11.0	Apr-17	4.2	0.12
Fantastic	21.5	19	-2.5	14.9	-6.6	Oct-17	4.8	0.07
Amazing	21.5	19	-2.5	14.9	-6.6	Oct-17	4.8	0.07
TOTAL	234.5	178	-56.5	149.2	-85.3			

Global Locations



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ANNEX 3

2nd original

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Printed by BIMCO's idea

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The Baltic and International Maritime Council (BIMCO), Copenhagen. Issued November 2001

1. Shipbroker Arrow Tankers A/S Bredgade 31 B, 4. DK-1260 Copenhagen K Denmark		BIMCO STANDARD BAREBOAT CHARTER CODE NAME: "BARECON 2001"		 PART I
		2. Place and date Copenhagen, 23rd February 2010		
3. Owners/Place of business (Cl. 1) Psara Energy Limited Ajeltake Road, Ajeltake Island Majuro, MH 96960 Marshall Island		4. Bareboat Charterers/Place of business (Cl. 1) Geden Holdings Limited, Malta or nominee always guaranteed by Geden Line. Performance Guarantee to the satisfaction of Owners and their financiers to be mutually agreed.		
5. Vessel's name, call sign and flag (Cl. 1 and 3) Name: m.l. CV STEALTH Flag: Malta				
6. Type of Vessel Crude oil carrier		7. GT/NT 58,418 / 31,117		
8. When/Where built 2005 / Shanghai Wangaoqiao Shipbuilding Co. Ltd.		9. Total DWT (abt.) in metric tons on summer freeboard 104,499		
10. Classification Society (Cl. 3) ABS		11. Date of last special survey by the Vessel's classification society N/A		
12. Further particulars of Vessel (also indicate minimum number of months' validity of class certificates agreed acc. to Cl. 3) Attached Vessel's Q88. Vessel to be redelivered with SS passed				
13. Port or Place of delivery (Cl. 3) WW DLOSP at one safe port / safe anchorage ATDNSHINC Vessel to be delivered with SS passed		14. Time for delivery (Cl. 4) 15th April 2010, 00:01 hrs lt	15. Cancelling date (Cl. 5) 30th August 2010, 23:59 hrs lt	
16. Port or Place of redelivery (Cl. 15) DLOSP at one safe port, berth or anchorage WW in CHOPT always within trading limits ATDNSHINC		17. No. of months' validity of trading and class certificates upon redelivery (Cl. 15) SS/DD passed without extensions		
18. Running days' notice if other than stated in Cl. 4 See Rider Clause 15.		19. Frequency of dry-docking (Cl. 10(g)) As required by class without extensions		
20. Trading limits (Cl. 6) Worldwide, excluding Israel, Cambodia, Cuba, Lebanon, Gulf of Aqaba, Namibia, North Korea, Chinese River Ports, Haiti, all war risk and war like zones and other areas/countries prohibited by the flag of the vessel and the United Nations without Owners' prior consent which shall not be unreasonably withheld. The vessel not to trade in ice, break ice nor follow ice breakers in ice.				
21. Charter period (Cl. 2) 5 years straight period +/- 30 days in Charterer's option plus 1 or 2 years optional year(s) declaration by Charterers 5 months prior end of the firm period		22. Charter hire (Cl. 11) USD 9,750 gross pdpr the first 365 days after delivery USD 10,750 gross pdpr for the 2nd charter year USD 11,750 gross pdpr for the period starting from 730th day after delivery until end of 3rd year USD 10,750 gross pdpr for 4th charter year USD 10,750 gross pdpr for 5th charter year USD 13,250 for the optional period		
23. New class and other safety requirements (state percentage of Vessel's insurance value acc. to Box 29)(Cl. 10(a)(ii)) 10%				

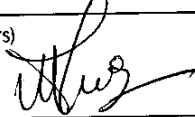
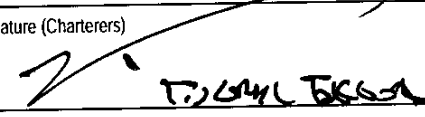
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"BARECON 2001" STANDARD BAREBOAT CHARTER**PART I**

24. Rate of interest payable acc. to Cl. 11 (f) and, if applicable, acc. to <u>PART IV</u> As per Clause 10 F	25. Currency and method of payment (Cl. 11) US Dollars / Telegraphic Transfer
26. Place of payment; also state beneficiary and bank account (Cl. 11) TBA	27. Bank guarantee/bond (sum and place) (Cl. 24) (optional) Corporate Guarantee to be attached to the BBCHP as attached to the C/P
28. Mortgage(s), if any (state whether 12(a) or (b) applies; if 12(b) applies state date of Financial Instrument and name of Mortgagee(s)/Place of business) (Cl. 12)	29. Insurance (hull and machinery and war risks) (state value acc. to Cl. 13(f) or, if applicable, acc. to Cl. 14(k)) (also state if Cl. 14 applies) USD 77,000,000
30. Additional insurance cover, if any, for Owners' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) At Owner's discretion	31. Additional insurance cover, if any, for Charterers' account limited to (Cl. 13(b) or, if applicable, Cl. 14(g)) At Charterer's discretion
32. Latent defects (only to be filled in if period other than stated in Cl. 3) N/A	33. Brokerage commission and to whom payable (Cl. 27) 1% to Arrow Tankers A/S payable by the Owners
34. Grace period (state number of clear banking days) (Cl. 28) Seven (7) working days	35. Dispute Resolution (state 30(a), 30(b) or 30(c); if 30(c) agreed Place of Arbitration <u>must</u> be stated (Cl. 30)) 30a
36. War cancellation (indicate countries agreed) (Cl. 26(f)) UK, USA, Russia, China	
37. Newbuilding Vessel (indicate with "yes" or "no" whether <u>PART III</u> applies) (optional) N/A	38. Name and place of Builders (only to be filled in if <u>PART III</u> applies) N/A
39. Vessel's Yard Building No. (only to be filled in if <u>PART III</u> applies) N/A	40. Date of Building Contract (only to be filled in if <u>PART III</u> applies) N/A
41. Liquidated damages and costs shall accrue to (state party acc. to Cl. 1) a) N/A b) N/A c) N/A	
42. Hire/Purchase agreement (indicate with "yes" or "no" whether <u>PART IV</u> applies) (optional) As per Rider Clause 13	43. Bareboat Charter Registry (indicate with "yes" or "no" whether <u>PART V</u> applies) (optional) No
44. Flag and Country of the Bareboat Charter Registry (only to be filled in if <u>PART V</u> applies) N/A	45. Country of the Underlying Registry (only to be filled in if <u>PART V</u> applies) N/A
46. Number of additional clauses covering special provisions, if agreed Rider Clauses 1-20	

PREAMBLE - It is mutually agreed that this Contract shall be performed subject to the conditions contained in this Charter which shall include PART I and PART II. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II to the extent of such conflict but no further. It is further mutually agreed that PART III and/or PART IV and/or PART V shall only apply and only form part of this Charter if expressly agreed and stated in Boxes 37, 42 and 43. If PART III and/or PART IV and/or PART V apply, it is further agreed that in the event of a conflict of conditions, the provisions of PART I and PART II shall prevail over those of PART III and/or PART IV and/or PART V to the extent of such conflict but no further.

Signature (Owners) 	Signature (Charterers) 
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"BARECON 2001" STANDARD BAREBOAT CHARTER

PART I

1

PART II
"BARECON 2001" Standard Bareboat Charter

1. Definitions	1	day on which the Vessel should be ready, give notice	72
In this Charter, the following terms shall have the	2	thereof to the Charterers asking whether they will	73
meanings hereby assigned to them:	3	exercise their option of cancelling, and the option must	74
"The Owners" shall mean the party identified in <u>Box 3</u> ;	4	then be declared within one hundred and sixty-eight	75
"The Charterers" shall mean the party identified in <u>Box 4</u> ;	5	(168) running hours of the receipt by the Charterers of	76
"The Vessel" shall mean the vessel named in <u>Box 5</u> and	6	such notice or within thirty-six (36) running hours after	77
with particulars as stated in <u>Boxes 6 to 12</u> .	7	the cancelling date, whichever is the earlier. If the	78
"Financial Instrument" means the mortgage, deed of	8	Charterers do not then exercise their option of cancelling,	79
covenant or other such financial security instrument as	9	the seventh day after the readiness date stated in the	80
annexed to this Charter and stated in <u>Box 28</u> .	10	Owners' notice shall be substituted for the cancelling	81
		date indicated in <u>Box 15</u> for the purpose of this <u>Clause 5</u> .	82
2. Charter Period	11	(c) Cancellation under this <u>Clause 5</u> shall be without	83
In consideration of the hire detailed in <u>Box 22</u> ,	12	prejudice to any claim the Charterers may otherwise	84
the Owners have agreed to let and the Charterers have	13	have on the Owners under this Charter.	85
agreed to hire the Vessel for the period stated in <u>Box 21</u>	14		
("The Charter Period").	15	6. Trading Restrictions	86
3. Delivery	16	The Vessel shall be employed in lawful trades for the	87
(not applicable when Part III applies, as indicated in <u>Box 37</u>)	17	carriage of suitable lawful merchandise within the trading	88
(a) The Owners shall before and at the time of delivery	18	limits indicated in <u>Box 20</u> .	89
exercise due diligence to make the Vessel seaworthy	19	The Charterers undertake not to employ the Vessel or	90
And in every respect ready in hull, machinery and	20	suffer the Vessel to be employed otherwise than in	91
equipment for service under this Charter.	21	conformity with the terms of the contracts of insurance	92
The Vessel shall be delivered by the Owners and taken	22	(including any warranties expressed or implied therein)	93
over by the Charterers at the port or place indicated in	23	without first obtaining the consent of the insurers to such	94
<u>Box 13</u> in such ready safe berth as the Charterers may	24	employment and complying with such requirements as	95
direct.	25	to extra premium or otherwise as the insurers may	96
(b) The Vessel shall be properly documented on	26	prescribe. When required by Owner, the Charterers	97
delivery in accordance with the laws of the flag State	27	shall keep the Owners and Mortgages advised on	
indicated in <u>Box 5</u> and the requirements of the	28	intended employment of Vessel.	
classification society stated in <u>Box 10</u> . The Vessel upon	29	The Charterers also undertake not to employ the Vessel	98
delivery shall have her survey cycles up to date and	30	or suffer her employment in any trade or business which	99
trading and class certificates valid for at least the number	31	is forbidden by the law of any country to which the Vessel	100
of months agreed in <u>Box 12</u> .	32	may sail or is otherwise illicit or in carrying illicit or	101
(c) The delivery of the Vessel by the Owners and the	33	prohibited goods or in any manner whatsoever which	102
taking over of the Vessel by the Charterers shall	34	may render her liable to condemnation, destruction,	103
constitute a full performance by the Owners of all the	35	seizure or confiscation.	104
Owners' obligations under this <u>Clause 3</u> , and thereafter	36	Notwithstanding any other provisions contained in this	105
the Charterers shall not be entitled to make or assert	37	Charter it is agreed that nuclear fuels or radioactive	106
any claim against the Owners on account of any	38	products or waste are specifically excluded from the	107
conditions, representations or warranties expressed or	39	cargo permitted to be loaded or carried under this	108
implied with respect to the Vessel but the Owners shall	40	Charter. This exclusion does not apply to radio-isotopes	109
be liable for the cost of but not the time for repairs or	41	used or intended to be used for any industrial,	110
renewals occasioned by latent defects in the Vessel,	42	commercial, agricultural, medical or scientific purposes	111
her machinery or appurtenances, existing at the time of	43	provided the Owners' prior approval has been obtained	112
delivery under this Charter, provided such defects have	44	to loading thereof.	113
manifested themselves within twelve (12) months after	45		
delivery unless otherwise provided in <u>Box 32</u> .	46	7. Surveys on Delivery and Redelivery	114
4. Time for Delivery	47	(not applicable when Part III applies, as indicated in <u>Box 37</u>)	115
(not applicable when Part III applies, as indicated in <u>Box 37</u>)	48	The Owners and Charterers shall each appoint	116
The Vessel shall not be delivered before the date	49	surveyors for the purpose of determining and agreeing	117
indicated in <u>Box 14</u> without the Charterers' consent and	50	in writing the condition of the Vessel at the time of	118
the Owners shall exercise due diligence to deliver the	51	delivery and redelivery hereunder. The Owners shall	119
Vessel not later than the date indicated in <u>Box 15</u> as per	52	bear all expenses of the On-hire Survey including loss	120
<u>Box 18</u> .		of time, if any, and the Charterers shall bear all expenses	121
Unless otherwise agreed in <u>Box 18</u> , the Owners shall	53	of the Off-hire Survey including loss of time, if any, at	122
give the Charterers not less than thirty (30) running days	54	the daily equivalent to the rate of hire or pro rata thereof.	123
preliminary and not less than fourteen (14) running days	55		
definite notice of the date on which the Vessel is	56	8. Inspection	124
expected to be ready for delivery.	57	The Owners shall have the right at any time after giving	125
The Owners shall keep the Charterers closely advised	58	reasonable notice to the Charterers to inspect or survey	126
of possible changes in the Vessel's position.	59	the Vessel or instruct a duly authorised surveyor to carry	127
5. Cancelling	60	out such survey on their behalf: provided it does not	128
(not applicable when Part III applies, as indicated in <u>Box 37</u>)	61	interfere with the operation of the Vessel a/o crew,	
(a) Should the Vessel not be delivered latest by the	62	but not to be unreasonably withheld.	
cancelling date indicated in <u>Box 15</u> , the Charterers shall	63	(a) to ascertain the condition of the Vessel and satisfy	129
have the option of cancelling this Charter by giving the	64	themselves that the Vessel is being properly repaired	130
Owners notice of cancellation within thirty-six (36)	65	and maintained. The costs and fees for such inspection	131
running hours after the cancelling date stated in <u>Box</u>	66	or survey shall be paid by the Owners unless the Vessel	132
15, failing which this Charter shall remain in full force	67	is found to require repairs or maintenance in order to	133
and effect.	68	achieve the condition so provided;	134
(b) If it appears that the Vessel will be delayed beyond	69	(b) in dry-dock if the Charterers have not dry-docked	135
the cancelling date, the Owners may, as soon as they	70	Her in accordance with <u>Clause 10(g)</u> . The costs and fees	136
are in a position to state with reasonable certainty the	71	for such inspection or survey shall be paid by the	137
		Charterers; and	138
		(c) for any other commercial reason they consider	139
		necessary (provided it does not unduly interfere with	140

PART II
"BARECON 2001" Standard Bareboat Charter

the commercial operation of the Vessel). The costs and	141	or authority thereof, to enable the Vessel, without	205
fees for such inspection and survey shall be paid by the	142	penalty or charge, lawfully to enter, remain at, or	206
Owners.	143	leave any port, place, territorial or contiguous	207
All time used in respect of inspection, survey or repairs	144	waters of any country, state or municipality in	208
shall be for the Charterers' account and form part of the	145	performance of this Charter without any delay. This	209
Charter Period.	146	obligation shall apply whether or not such	210
The Charterers shall also permit the Owners to inspect	147	requirements have been lawfully imposed by such	211
the Vessel's log books whenever requested and shall	148	government or division or authority thereof.	212
whenever required by the Owners furnish them with full	149	The Charterers shall make and maintain all arrange-	213
information regarding any casualties or other accidents	150	ments by bond or otherwise as may be necessary to	214
or damage to the Vessel.	151	satisfy such requirements at the Charterers' sole	215
9. Inventories, Oil and Stores	152	expense and the Charterers shall indemnify the Owners	216
A complete inventory of the Vessel's entire equipment,	153	against all consequences whatsoever (including loss of	217
outfit including spare parts, appliances and of all	154	time) for any failure or inability to do so.	218
consumable stores on board the Vessel shall be made	155	(b) <u>Operation of the Vessel</u> - The Charterers shall at	219
by the Charterers in conjunction with the Owners on	156	their own expense and by their own procurement man,	220
delivery and again on redelivery of the Vessel. The	157	victual, navigate, operate, supply, fuel and, whenever	221
Charterers and the Owners, respectively, shall at the	158	required, repair the Vessel during the Charter Period	222
time of delivery and redelivery take over and pay for all	159	and they shall pay all charges and expenses of every	223
bunkers, lubricating oil, unbrokeed provisions, paints,	160	kind and nature whatsoever incidental to their use and	224
ropes and other consumable stores (excluding spare	161	operation of the Vessel under this Charter, including	225
parts) in the said Vessel at the then current market prices	162	annual flag State fees and any foreign general	226
at the ports of delivery and redelivery, respectively. The	163	municipality and/or state taxes. The Master, officers	227
Charterers shall ensure that all spare parts listed in the	164	and crew of the Vessel shall be the servants of the Charterers	228
inventory and used during the Charter Period are	165	for all purposes whatsoever, even if for any reason	229
replaced at their expense prior to redelivery of the	166	appointed by the Owners.	230
Vessel.	167	Charterers shall comply with the regulations regarding	231
10. Maintenance and Operation	168	officers and crew in force in the country of the Vessel's	232
(a)(i) <u>Maintenance and Repairs</u> - During the Charter	169	flag or any other applicable law.	233
Period the Vessel shall be in the full possession	170	(c) The Charterers shall keep the Owners and the	234
and at the absolute disposal for all purposes of the	171	mortgagee(s) advised of the intended employment,	235
Charterers and under their complete control in	172	planned dry-docking and major repairs of the Vessel,	236
every respect. The Charterers shall maintain the	173	as reasonably required.	237
Vessel, her machinery, boilers, appurtenances and	174	(d) <u>Flag and Name of Vessel</u> - Charterers have the	238
spare parts in a good state of repair, in efficient	175	right to reflag the ship and install and display their	
operating condition and in accordance with good	176	funnel insignia and fly their own house flag, but name	
commercial maintenance practice and, except as	177	cannot be changed. During the Charter	
provided for in <u>Clause 14(l)</u> , if applicable, at their	178	Period, the Charterers shall have the liberty to paint the	239
own expense they shall at all times keep the	179	Vessel in their own colours, install and display their	240
Vessel's Class fully up to date with the Classification	180	funnel insignia and fly their own house flag. The	241
Society indicated in <u>Box 10</u> and maintain all other	181	Charterers shall also have the liberty, with the Owners'	242
necessary certificates in force at all times. If	182	consent, which shall not be unreasonably withheld, to	243
necessary as deemed by class, the Charterers to		change the flag and/or the name of the Vessel during	244
take immediate steps to have the necessary		the Charter Period. Painting and re-painting, instalment	245
repairs done within a reasonable time (prior to or		and re-installment, registration and re-registration, if	246
upon SS-drydocking) failing which the Owners		required by the Owners, shall be at the Charterers'	247
shall have the right of withdrawing the Vessel		expense and time.	248
from the service of the Charterers and without		(e) <u>Changes to the Vessel</u> - Subject to <u>Clause 10(a)(ii)</u> ,	249
prejudice to any claim the Owners may		the Charterers shall make no structural changes in the	250
otherwise have against the Charterers under this		Vessel or changes in the machinery, boilers, appurten-	251
Charter.		ances or spare parts thereof without in each instance	252
(ii) <u>New Class and Other Safety Requirements</u> - In the	183	first securing the Owners' approval thereof. If the Owners	253
event of any improvement, structural changes or	184	so agree, the Charterers shall, if the Owners so require,	254
new equipment becoming necessary for the	185	restore the Vessel to its former condition before the	255
continued operation of the Vessel by reason of new	186	termination of this Charter.	256
class requirements or by compulsory legislation	187	(f) <u>Use of the Vessel's Outfit, Equipment and</u>	257
costing (excluding the Charterers' loss of time)	188	<u>Appliances</u> - The Charterers shall have the use of all	258
more than the percentage stated in <u>Box 23</u> , or if	189	outfit, equipment, and appliances on board the Vessel	259
<u>Box 23</u> is left blank, 5 per cent. of the Vessel's	190	at the time of delivery, provided the same or their	260
insurance value as stated in <u>Box 29</u> , then the	191	substantial equivalent shall be returned to the Owners	261
extent, if any, to which the rate of hire shall be varied	192	on redelivery in the same good order and condition as	262
and the ratio in which the cost of compliance shall	193	when received, ordinary wear and tear excepted. The	263
be shared between the parties concerned in order	194	Charterers shall from time to time during the Charter	264
to achieve a reasonable distribution thereof as	195	Period replace such items of equipment as shall be so	265
between the Owners and the Charterers having	196	damaged or worn as to be unfit for use. The Charterers	266
regard, inter alia, to the length of the period	197	are to procure that all repairs to or replacement of any	267
remaining under this Charter shall, in the absence	198	damaged, worn or lost parts or equipment be effected	268
of agreement, be referred to the dispute resolution	199	in such manner (both as regards workmanship and	269
method agreed in <u>Clause 30</u> .	200	quality of materials) as not to diminish the value of the	270
(iii) <u>Financial Security</u> - The Charterers shall maintain	201	Vessel. The Charterers have the right to fit additional	271
financial security or responsibility in respect of third	202	equipment at their expense and risk but the Charterers	272
party liabilities as required by any government,	203	shall remove such equipment at the end of the period if	273
including federal, state or municipal or other division	204	requested by the Owners. Any equipment including radio	274
		equipment on hire on the Vessel at time of delivery shall	275
		be kept and maintained by the Charterers and the	276

PART II
"BARECON 2001" Standard Bareboat Charter

Charterers shall assume the obligations and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners for all expenses incurred in connection therewith, also for any new equipment required in order to comply with radio regulations.	277	themselves with all relevant terms, conditions and provisions of the Financial Instrument and agree to acknowledge this in writing in any form that may be required by the mortgagee(s). The Owners warrant that they have not effected any mortgage(s) other than stated in Box 28 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 28 or effect any other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.	345
(g) <u>Periodical Dry-Docking</u> - The Charterers shall dry-dock the Vessel and clean and paint her underwater parts whenever the same may be necessary, but not less than once during the period stated in Box 19 or, if Box 19 has been left blank, every sixty (60) calendar months after delivery or such other period as may be required by the Classification Society or flag State.	278	*) (Optional, <u>Clauses 12(a) and 12(b)</u> are alternatives; indicate alternative agreed in Box 28).	346
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11. Hire	290	13. Insurance and Repairs	357
(a) The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter in respect of which time shall be of the essence.	291	(a) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against hull and machinery, war and Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve, which approval shall not be un-reasonably withheld. Such insurances shall be arranged by the Charterers to protect the interests of both the Owners and the Charterers and the mortgagee(s) (if any), and The Charterers shall be at liberty to protect under such insurances the interests of any managers they may appoint. Insurance policies shall cover the Owners and the Charterers according to their respective interests. Subject to the provisions of the Financial Instrument, if any, and the approval of the Owners and the insurers, the Charterers shall effect all insured repairs and shall undertake settlement and reimbursement from the insurers of all costs in connection with such repairs as well as insured charges, expenses and liabilities to the extent of coverage under the insurances herein provided for.	358
(b) Payment of hire shall be made as per daily hire in Box 22 basis per calendar month in advance. First hire payable prorata upto end of the month starting from vessel's actual delivery date/time. The Charterers shall pay to the Owners for the hire of the Vessel a lump sum in the amount indicated in Box 22 which shall be payable not later than every thirty (30) running days in advance, the first lump sum being payable on the date and hour of the Vessel's delivery to the Charterers. Hire shall be paid continuously throughout the Charter Period.	292	The Charterers also to remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.	359
(c) Payment of hire shall be made in cash without discount in the currency and in the manner indicated in Box 25 and at the place mentioned in Box 26.	293	All time used for repairs under the provisions of sub-clause 13(a) and for repairs of latent defects according to Clause 3(c) above, including any deviation, shall be for the Charterers' account.	360
(d) Final payment of hire, if for a period of less than thirty (30) running days a month, shall be calculated proportionally according to the number of days and hours remaining before redelivery and advance payment to be effected accordingly.	294	(b) If the conditions of the above insurances permit additional insurance to be placed by the parties, such cover shall be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.	361
(e) Should the Vessel be lost or missing, hire shall cease from the date and time when she was lost or last heard of. The date upon which the Vessel is to be treated as lost or missing shall be ten (10) days after the Vessel was last reported or when the Vessel is posted as missing by Lloyd's, whichever occurs first. Any hire paid in advance to be adjusted accordingly.	295	(c) The Charterers shall upon the request of the Owners, provide information and promptly execute such documents as may be required to enable the Owners to comply with the insurance provisions of the Financial Instrument.	362
(f) Any delay in payment of hire shall entitle the Owners to interest at the rate per annum as agreed in Box 24. If Box 24 has not been filled in, the three months Interbank offered rate in London (LIBOR or its successor) for the currency stated in Box 25, as quoted by the British Bankers' Association (BBA) on the date when the hire fell due, increased by 2 per cent., shall apply.	296	(d) Subject to the provisions of the Financial Instrument, if any, should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 13(a), all insurance payments for such loss shall be paid to the Owners who shall distribute the moneys between the Owners and the Charterers according to their respective interests. The Charterers undertake to notify the Owners and the mortgagee(s), if any, of any occurrences in consequence of which the Vessel is likely to become a total loss as defined in this Clause.	363
(g) Payment of interest due under sub-clause 11(f) shall be made within seven (7) running days of the date of the Owners' invoice specifying the amount payable or, in the absence of an invoice, at the time of the next hire payment date.	297	(e) The Owners shall upon the request of the Charterers, promptly execute such documents as may	364
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12. Mortgage	329		396
(only to apply if Box 28 has been appropriately filled in)	330		397
*) (a) The Owners warrant that they have not effected any mortgage(s) of the Vessel and that they shall not effect any mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.	331		398
*) (b) The Vessel chartered under this Charter is financed by a mortgage according to the Financial Instrument. The Charterers undertake to comply, and provide such information and documents to enable the Owners to comply, with all such instructions or directions in regard to the employment, insurances, operation, repairs and maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time during the currency of the Charter by the mortgagee(s) in conformity with the Financial Instrument. The Charterers confirm that, for this purpose, they have acquainted	332		399
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PART II
"BARECON 2001" Standard Bareboat Charter

be required to enable the Charterers to abandon the Vessel to insurers and claim a constructive total loss.	419	distribute the moneys between themselves and the Charterers according to their respective interests.	493
(f) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 13(a), the value of the Vessel is the sum indicated in Box 29.	420	(i) If the Vessel becomes an actual, constructive, compromised or agreed total loss under the insurances arranged by the Owners in accordance with sub-clause 14(a), this Charter shall terminate as of the date of such loss.	494
14. Insurance, Repairs and Classification	421	(j) The Charterers shall upon the request of the Owners, promptly execute such documents as may be required to enable the Owners to abandon the Vessel to the insurers and claim a constructive total loss.	495
<i>(Optional, only to apply if expressly agreed and stated in Box 29, in which event Clause 13 shall be considered deleted).</i>	422	(k) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 14(a), the value of the Vessel is the sum indicated in Box 29.	496
(a) During the Charter Period the Vessel shall be kept insured by the Owners at their expense against hull and machinery and war risks under the form of policy or policies attached hereto. The Owners and/or insurers shall not have any right of recovery or subrogation against the Charterers on account of loss of or any damage to the Vessel or her machinery or appurtenances covered by such insurance, or on account of payments made to discharge claims against or liabilities of the Vessel or the Owners covered by such insurance. Insurance policies shall cover the Owners and the Charterers according to their respective interests.	423	(l) Notwithstanding anything contained in sub-clause 10(a), it is agreed that under the provisions of Clause 14, if applicable, the Owners shall keep the Vessel's Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary certificates in force at all times.	497
(b) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve which approval shall not be unreasonably withheld.	424	15. Redelivery	498
(c) In the event that any act or negligence of the Charterers shall vitiate any of the insurance herein provided, the Charterers shall pay to the Owners all losses and indemnify the Owners against all claims and demands which would otherwise have been covered by such insurance.	425	At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers to the Owners at a safe and ice-free port or place as indicated in Box 16, in such ready safe berth as the Charterers Owners may direct. The Charterers shall give the Owners not less than thirty (30) running days' preliminary notice of expected date, range of ports of redelivery or port or place of redelivery and not less than 5/3/2/1 fourteen (14) running days' definite notice of expected date and port or place of redelivery. Any changes thereafter in the Vessel's position shall be notified immediately to the Owners.	499
(d) The Charterers shall, subject to the approval of the Owners or Owners' Underwriters, effect all insured repairs, and the Charterers shall undertake settlement of all miscellaneous expenses in connection with such repairs as well as all insured charges, expenses and liabilities, to the extent of coverage under the insurances provided for under the provisions of sub-clause 14(a). The Charterers to be secured reimbursement through the Owners' Underwriters for such expenditures upon presentation of accounts.	426	The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel within the Charter Period. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 22 plus 10 per cent. or to the market rate, whichever is the higher, for the number of days by which the Charter Period is exceeded. All other terms, conditions and provisions of this Charter shall continue to apply.	500
(e) The Charterers to remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.	427	Subject to the provisions of Clause 10, the Vessel shall be redelivered to the Owners in the same or as good structure, state, condition and class as that in which she was delivered, fair wear and tear not affecting class excepted.	501
(f) All time used for repairs under the provisions of sub-clauses 14(d) and 14(e) and for repairs of latent defects according to Clause 3 above, including any deviation, shall be for the Charterers' account and shall form part of the Charter Period.	428	The Vessel upon redelivery shall have her survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box 17.	502
The Owners shall not be responsible for any expenses as are incident to the use and operation of the Vessel for such time as may be required to make such repairs.	429	16. Non-Lien	503
(g) If the conditions of the above insurances permit additional insurance to be placed by the parties such cover shall be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.	430	The Charterers will not suffer, nor permit to be continued, any lien or encumbrance incurred by them or their agents, which might have priority over the title and interest of the Owners in the Vessel. The Charterers further agree to fasten to the Vessel in a conspicuous place and to keep so fastened during the Charter Period a notice reading as follows:	504
(h) Should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 14(a), all insurance payments for such loss shall be paid to the Owners, who shall	431	"This Vessel is the property of (name of Owners). It is under charter to (name of Charterers) and by the terms of the Charter Party neither the Charterers nor the Master have any right, power or authority to create, incur or permit to be imposed on the Vessel any lien whatsoever."	505
	432	17. Indemnity	506
	433	(a) The Charterers shall indemnify the Owners against any loss, damage or expense incurred by the Owners arising out of or in relation to the operation of the Vessel	507
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PART II
"BARECON 2001" Standard Bareboat Charter

by the Charterers, and against any lien of whatsoever nature arising out of an event occurring during the Charter Period. If the Vessel be arrested or otherwise detained by reason of claims or liens arising out of her operation hereunder by the Charterers, the Charterers shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail. Without prejudice to the generality of the foregoing, the Charterers agree to indemnify the Owners against all consequences or liabilities arising from the Master, officers or agents signing Bills of Lading or other documents.	564 565 566 567 568 569 570 571 572 573 574 575 576 577 578	luggage compulsorily applicable in the trade; if no such legislation exists, the passenger tickets shall incorporate the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea, 1974, and any protocol thereto.	634 635 636 637 638 639
*) Delete as applicable.			
24. Bank Guarantee (Optional, only to apply if Box 27 filled in) The Charterers undertake to furnish, before delivery of the Vessel, a first class bank guarantee or bond in the sum and at the place as indicated in Box 27 as guarantee for full performance of their obligations under this Charter. Corporate Guarantee to be attached to the BBCHP.	579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607	25. Requisition/Acquisition (a) In the event of the Requisition for Hire of the Vessel by any governmental or other competent authority (hereinafter referred to as "Requisition for Hire") irrespective of the date during the Charter Period when "Requisition for Hire" may occur and irrespective of the length thereof and whether or not it be for an indefinite or a limited period of time, and irrespective of whether it may or will remain in force for the remainder of the Charter Period, this Charter shall not be deemed thereby or thereupon to be frustrated or otherwise terminated and the Charterers shall continue to pay the stipulated hire in the manner provided by this Charter until the time when the Charter would have terminated pursuant to any of the provisions hereof always provided however that in the event of "Requisition for Hire" any Requisition Hire or compensation received or receivable by the Owners shall be payable to the Charterers during the remainder of the Charter Period or the period of the "Requisition for Hire" whichever be the shorter. (b) In the event of the Owners being deprived of their ownership in the Vessel by any Compulsory Acquisition of the Vessel or requisition for title by any governmental or other competent authority (hereinafter referred to as "Compulsory Acquisition"), then, irrespective of the date during the Charter Period when "Compulsory Acquisition" may occur, this Charter shall be deemed terminated as of the date of such "Compulsory Acquisition". In such event Charter Hire to be considered as earned and to be paid up to the date and time of such "Compulsory Acquisition".	640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693
18. Lien The Owners to have a lien upon all cargoes, sub-hires and sub-freights belonging or due to the Charterers or any sub-charterers and any Bill of Lading freight for all claims under this Charter, and the Charterers to have a lien on the Vessel for all moneys paid in advance and not earned.	587 588 589 590 591 592 593	26. War (a) For the purpose of this Clause, the words "War Risks" shall include any war (whether actual or threatened), act of war, civil war, hostilities, revolution, rebellion, civil commotion, warlike operations, the laying of mines (whether actual or reported), acts of piracy, acts of terrorists, acts of hostility or malicious damage, blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, or the Government of any state whatsoever, which may be dangerous or are likely to be or to become dangerous to the Vessel, her cargo, crew or other persons on board the Vessel. (b) The Charterers shall be at liberty to trade the Vessel in War Risk Areas and any applicable additional premium shall be for the Charterers' account, but with full indemnity to Owners in regards to ransoms/accidents/deaths or loss of cargo, Charterers to show evidence of extra premia being paid. The Vessel, unless the written consent of the Owners be first obtained, shall not continue to or go through any port, place, area or zone (whether of land or sea), or any waterway or canal, where it reasonably appears that the Vessel, her cargo, crew or other persons on board the Vessel, in the reasonable judgement of the Owners, may be, or are likely to be,	678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699
19. Salvage All salvage and towage performed by the Vessel shall be for the Charterers' benefit and the cost of repairing damage occasioned thereby shall be borne by the Charterers.	594 595 596 597 598		
20. Wreck Removal In the event of the Vessel becoming a wreck or obstruction to navigation the Charterers shall indemnify the Owners against any sums whatsoever which the Owners shall become liable to pay and shall pay in consequence of the Vessel becoming a wreck or obstruction to navigation.	599 600 601 602 603 604 605		
21. General Average The Owners shall not contribute to General Average.	606 607		
22. Assignment, Sub-Charter and Sale (a) The Charterers shall not assign this Charter nor sub-charter the Vessel on a bareboat basis except with the prior consent in writing of the Owners, which shall not be unreasonably withheld, and subject to such terms and conditions as the Owners shall approve. (b) The Owners shall not sell the Vessel during the currency of this Charter except with the prior written consent of the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting an assignment of this Charter.	608 609 610 611 612 613 614 615 616 617 618		
23. Contracts of Carriage (a) The Charterers are to procure that all documents issued during the Charter Period evidencing the terms and conditions agreed in respect of carriage of goods shall contain a paramount clause incorporating any legislation relating to carrier's liability for cargo compulsorily applicable in the trade; if no such legislation exists, the documents shall incorporate the Hague-Visby Rules. The documents shall also contain the New Jason Clause and the Both-to-Blame Collision Clause. (b) The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of passengers and their luggage under this Charter shall contain a paramount clause incorporating any legislation relating to carrier's liability for passengers and their	619 620 621 622 623 624 625 626 627 628 629 630 631 632 633		
*) Delete as applicable.			

PART II
"BARECON 2001" Standard Bareboat Charter

exposed to War Risks. Should the Vessel be within any such place as aforesaid, which only becomes dangerous, or is likely to be or to become dangerous, after her entry into it, the Owners shall have the right to require the Vessel to leave such area.	700	Should the parties agree to cancel the Charter, the Owners shall indemnify the Brokers against any loss of commission but in such case the commission shall not exceed the brokerage on one year's hire.	774
(c) The Vessel shall not load contraband cargo, or to pass through any blockade, whether such blockade be imposed on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject, or is likely to be subject to a belligerent's right of search and/or confiscation.	701		775
(d) If the insurers of the war risks insurance, when Clause 14 is applicable, should require payment of premiums and/or calls because, pursuant to the Charterers' orders, the Vessel is within, or is due to enter and remain within, any area or areas which are specified by such insurers as being subject to additional premiums because of War Risks, then such premiums and/or calls shall be reimbursed by the Charterers to the Owners at the same time as the next payment of hire is due.	702		776
(e) The Charterers shall have the liberty:	703		777
(i) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery, or in any other way whatsoever, which are given by the Government of the Nation under whose flag the Vessel sails, or any other Government, body or group whatsoever acting with the power to compel compliance with their orders or directions;	704		
(ii) to comply with the orders, directions or recommendations of any war risks underwriters who have the authority to give the same under the terms of the war risks insurance;	705	28. Termination	778
(iii) to comply with the terms of any resolution of the Security Council of the United Nations, any directives of the European Community, the effective orders of any other Supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement.	706	(a) <u>Charterers' Default</u>	779
(f) In the event of outbreak of war (whether there be a declaration of war or not) (i) between any two or more of the following countries: the United States of America; Russia; the United Kingdom; France; and the People's Republic of China, (ii) between any two or more of the countries stated in Box 36, both the Owners and the Charterers shall have the right to cancel this Charter, whereupon the Charterers shall redeliver the Vessel to the Owners in accordance with Clause 15, if the Vessel has cargo on board after discharge thereof at destination, or if debarred under this Clause from reaching or entering it at a near, open and safe port as directed by the Owners, or if the Vessel has no cargo on board, at the port at which the Vessel then is or if at sea at a near, open and safe port as directed by the Owners. In all cases hire shall continue to be paid in accordance with Clause 11 and except as aforesaid all other provisions of this Charter shall apply until redelivery.	707	The Owners shall be entitled to withdraw the Vessel from the service of the Charterers and terminate the Charter with immediate effect by written notice to the Charterers if:	780
	708	(i) the Charterers fail to pay hire in accordance with Clause 11. However, where there is a failure to make punctual payment of hire due to oversight, negligence, errors or omissions on the part of the Charterers or their bankers, the Owners shall give the Charterers written notice of the number of clear banking days stated in Box 34 (as recognised at the agreed place of payment) in which to rectify the failure, and when so rectified within such number of days following the Owners' notice, the payment shall stand as regular and punctual. Failure by the Charterers to pay hire within the number of days stated in Box 34 of their receiving the Owners' notice as provided herein, shall entitle the Owners to withdraw the Vessel from the service of the Charterers and terminate the Charter without further notice;	781
	709	(ii) the Charterers fail to comply with the requirements of:	782
	710	(1) <u>Clause 6</u> (Trading Restrictions)	783
	711	(2) <u>Clause 13(a)</u> (Insurance and Repairs)	784
	712	provided that the Owners shall have the option, by written notice to the Charterers, to give the Charterers a specified number of days grace within which to rectify the failure without prejudice to the Owners' right to withdraw and terminate under this Clause if the Charterers fail to comply with such notice;	785
	713	(iii) the Charterers fail to rectify any failure to comply with the requirements of sub-clause 10(a)(i) (Maintenance and Repairs) as soon as practically possible after the Owners have requested them in writing so to do and in any event so that the Vessel's insurance cover is not prejudiced.	786
	714	(b) <u>Owners' Default</u>	787
	715	If the Owners shall by any act or omission be in breach of their obligations under this Charter to the extent that the Charterers are deprived of the use of the Vessel and such breach continues for a period of fourteen (14) running days after written notice thereof has been given by the Charterers to the Owners, the Charterers shall be entitled to terminate this Charter with immediate effect by written notice to the Owners.	788
	716	(c) <u>Loss of Vessel</u>	789
	717	This Charter shall be deemed to be terminated if the Vessel becomes a total loss or is declared as a constructive or compromised or arranged total loss. For the purpose of this sub-clause, the Vessel shall not be deemed to be lost unless she has either become an actual total loss or agreement has been reached with her underwriters in respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred.	790
	718	(d) Either party shall be entitled to terminate this Charter with immediate effect by written notice to the other party in the event of an order being made or resolution passed for the winding up, dissolution, liquidation or bankruptcy of the other party (otherwise than for the purpose of reconstruction or amalgamation) or if a receiver is appointed, or if it suspends payment, ceases to carry on business or makes any special arrangement or composition with its creditors.	791
	719	(e) The termination of this Charter shall be without prejudice to all rights accrued due between the parties	792
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27. Commission			
The Owners to pay a commission at the rate indicated in Box 33 to the Brokers named in Box 33 on any hire paid under the Charter. If no rate is indicated in Box 33, the commission to be paid by the Owners shall cover the actual expenses of the Brokers and a reasonable fee for their work.			
If the full hire is not paid owing to breach of the Charter by either of the parties the party liable therefor shall indemnify the Brokers against their loss of commission.			

PART II
"BARECON 2001" Standard Bareboat Charter

prior to the date of termination and to any claim that either party might have.	848	exceeds the sum of US\$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc. current at the time when the arbitration proceedings are commenced.	921
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29. Repossession	850	*) (c) This Contract shall be governed by and construed in accordance with the laws of the place mutually agreed by the parties and any dispute arising out of or in connection with this Contract shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.	923
In the event of the termination of this Charter in accordance with the applicable provisions of <u>Clause 28</u> , the Owners shall have the right to repossess the Vessel from the Charterers at her current or next port of call, or at a port or place convenient to them without hindrance or interference by the Charterers, courts or local authorities. Pending physical repossession of the Vessel in accordance with this <u>Clause 29</u> , the Charterers shall hold the Vessel as gratuitous bailee only to the Owners. The Owners shall arrange for an authorised representative to board the Vessel as soon as reasonably practicable following the termination of the Charter. The Vessel shall be deemed to be repossessed by the Owners from the Charterers upon the boarding of the Vessel by the Owners' representative. All arrangements and expenses relating to the settling of wages, disembarkation and repatriation of the Charterers' Master, officers and crew shall be the sole responsibility of the Charterers.	851	(d) Notwithstanding (a), (b) or (c) above, the parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Contract.	924
	852	In the case of a dispute in respect of which arbitration has been commenced under (a), (b) or (c) above, the following shall apply:-	925
	853	(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.	926
	854	(ii) The other party shall thereupon within 14 calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further 14 calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.	927
	855	(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.	928
	856	(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.	929
	857	(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.	930
	858	(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.	931
	859	(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.	932
	860	(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)	933
	861	(e) If <u>Box 35</u> in Part I is not appropriately filled in, sub-clause 30(a) of this Clause shall apply. <u>Sub-clause 30(d)</u> shall apply in all cases.	934
	862	*) <u>Sub-clauses 30(a), 30(b) and 30(c) are alternatives; indicate alternative agreed in <u>Box 35</u></u>	935
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	864	31. Notices	937
	865	(a) Any notice to be given by either party to the other party shall be in writing and may be sent by fax, telex, e-mail registered or recorded mail or by personal service.	938
	866	(b) The address including e-mail(s) of the Parties for service of such communication shall be as stated in <u>Boxes 3 and 4</u> respectively.	939
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30. Dispute Resolution	871		944
*) (a) This Contract shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Contract shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.	872		945
The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.	873		946
The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.	874		947
Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.	875		948
In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.	876		949
*) (b) This Contract shall be governed by and construed in accordance with Title 9 of the United States Code and the Maritime Law of the United States and any dispute arising out of or in connection with this Contract shall be referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgement may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.	877		950
In cases where neither the claim nor any counterclaim	878		951
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"BARECON 2001" Standard Bareboat Charter

OPTIONAL
PARTPART III
PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY

(Optional, only to apply if expressly agreed and stated in Box 37)

1. Specifications and Building Contract

(a) The Vessel shall be constructed in accordance with the Building Contract (hereafter called "the Building Contract") as annexed to this Charter, made between the Builders and the Owners and in accordance with the specifications and plans annexed thereto, such Building Contract, specifications and plans having been counter-signed as approved by the Charterers.

(b) No change shall be made in the Building Contract or in the specifications or plans of the Vessel as approved by the Charterers as aforesaid, without the Charterers' consent.

(c) The Charterers shall have the right to send their representative to the Builders' Yard to inspect the Vessel during the course of her construction to satisfy themselves that construction is in accordance with such approved specifications and plans as referred to under sub-clause (a) of this Clause.

(d) The Vessel shall be built in accordance with the Building Contract and shall be of the description set out therein. Subject to the provisions of sub-clause 2(c)(ii) hereunder, the Charterers shall be bound to accept the Vessel from the Owners, completed and constructed in accordance with the Building Contract, on the date of delivery by the Builders. The Charterers undertake that having accepted the Vessel they will not thereafter raise any claims against the Owners in respect of the Vessel's performance or specification or defects, if any. Nevertheless, in respect of any repairs, replacements or defects which appear within the first 12 months from delivery by the Builders, the Owners shall endeavour to compel the Builders to repair, replace or remedy any defects or to recover from the Builders any expenditure incurred in carrying out such repairs, replacements or remedies. However, the Owners' liability to the Charterers shall be limited to the extent the Owners have a valid claim against the Builders under the guarantee clause of the Building Contract (a copy whereof has been supplied to the Charterers). The Charterers shall be bound to accept such sums as the Owners are reasonably able to recover under this Clause and shall make no further claim on the Owners for the difference between the amount(s) so recovered and the actual expenditure on repairs, replacement or remedying defects or for any loss of time incurred. Any liquidated damages for physical defects or deficiencies shall accrue to the account of the party stated in Box 41(a) or if not filled in shall be shared equally between the parties. The costs of pursuing a claim or claims against the Builders under this Clause (including any liability to the Builders) shall be borne by the party stated in Box 41(b) or if not filled in shall be shared equally between the parties.

2. Time and Place of Delivery

(a) Subject to the Vessel having completed her acceptance trials including trials of cargo equipment in accordance with the Building Contract and specifications to the satisfaction of the Charterers, the Owners shall give and the Charterers shall take delivery of the Vessel afloat when ready for delivery and properly documented at the Builders' Yard or some other safe and readily accessible dock, wharf or place as may be agreed between the parties hereto and the Builders. Under the Building Contract the Builders have estimated that the Vessel will be ready for delivery to the Owners as therein provided but the delivery date for the purpose of this Charter shall be the date when the Vessel is in fact ready for delivery by the Builders after completion of trials whether that be before or after as indicated in the Building Contract. The Charterers shall not be entitled to refuse acceptance of delivery of the Vessel

and upon and after such acceptance, subject to Clause 1(d), the Charterers shall not be entitled to make any claim against the Owners in respect of any conditions, representations or warranties, whether express or implied, as to the seaworthiness of the Vessel or in respect of delay in delivery.

(b) If for any reason other than a default by the Owners under the Building Contract, the Builders become entitled under that Contract not to deliver the Vessel to the Owners, the Owners shall upon giving to the Charterers written notice of Builders becoming so entitled, be excused from giving delivery of the Vessel to the Charterers and upon receipt of such notice by the Charterers this Charter shall cease to have effect.

(c) If for any reason the Owners become entitled under the Building Contract to reject the Vessel the Owners shall, before exercising such right of rejection, consult the Charterers and thereupon

(i) if the Charterers do not wish to take delivery of the Vessel they shall inform the Owners within seven (7) running days by notice in writing and upon receipt by the Owners of such notice this Charter shall cease to have effect; or

(ii) if the Charterers wish to take delivery of the Vessel they may by notice in writing within seven (7) running days require the Owners to negotiate with the Builders as to the terms on which delivery should be taken and/or refrain from exercising their right to rejection and upon receipt of such notice the Owners shall commence such negotiations and/or take delivery of the Vessel from the Builders and deliver her to the Charterers;

(iii) in no circumstances shall the Charterers be entitled to reject the Vessel unless the Owners are able to reject the Vessel from the Builders;

(iv) if this Charter terminates under sub-clause (b) or (c) of this Clause, the Owners shall thereafter not be liable to the Charterers for any claim under or arising out of this Charter or its termination.

(d) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a claim therefor shall accrue to the account of the party stated in Box 41(c) or if not filled in shall be shared equally between the parties.

3. Guarantee Works

If not otherwise agreed, the Owners authorise the Charterers to arrange for the guarantee works to be performed in accordance with the building contract terms, and hire to continue during the period of guarantee works. The Charterers have to advise the Owners about the performance to the extent the Owners may request.

4. Name of Vessel

The name of the Vessel shall be mutually agreed between the Owners and the Charterers and the Vessel shall be painted in the colours, display the funnel insignia and fly the house flag as required by the Charterers.

5. Survey on Redelivery

The Owners and the Charterers shall appoint surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of re-delivery. Without prejudice to Clause 15 (Part II), the Charterers shall bear all survey expenses and all other costs, if any, including the cost of docking and undocking, if required, as well as all repair costs incurred. The Charterers shall also bear all loss of time spent in connection with any docking and undocking as well as repairs, which shall be paid at the rate of hire per day or pro rata.

"BARECON 2001" Standard Bareboat Charter**PART IV
HIRE/PURCHASE AGREEMENT***(Optional, only to apply if expressly agreed and stated in Box 42)***OPTIONAL
PART**

On expiration of this Charter and provided the Charterers have fulfilled their obligations according to Part I and II as well as Part III, if applicable, it is agreed, that on payment of the final payment of hire as per <u>Clause 11</u> the Charterers have purchased the Vessel with everything belonging to her and the Vessel is fully paid for.	1 2 3 4 5 6 7	In exchange for payment of the last month's hire instalment the Sellers shall furnish the Buyers with a Bill of Sale duly attested and legalized, together with a certificate setting out the registered encumbrances, if any. On delivery of the Vessel the Sellers shall provide for deletion of the Vessel from the Ship's Register and deliver a certificate of deletion to the Buyers.	28 29 30 31 32 33 34
<i>In the following paragraphs the Owners are referred to as the Sellers and the Charterers as the Buyers.</i>	8 9	The Sellers shall, at the time of delivery, hand to the Buyers all classification certificates (for hull, engines, anchors, chains, etc.), as well as all plans which may be in Sellers' possession.	35 36 37 38
The Vessel shall be delivered by the Sellers and taken over by the Buyers on expiration of the Charter.	10 11	The Wireless Installation and Nautical Instruments, unless on hire, shall be included in the sale without any extra payment.	39 40 41
The Sellers guarantee that the Vessel, at the time of delivery, is free from all encumbrances and maritime liens or any debts whatsoever other than those arising from anything done or not done by the Buyers or any existing mortgage agreed not to be paid off by the time of delivery. Should any claims, which have been incurred prior to the time of delivery be made against the Vessel, the Sellers hereby undertake to indemnify the Buyers against all consequences of such claims to the extent it can be proved that the Sellers are responsible for such claims. Any taxes, notarial, consular and other charges and expenses connected with the purchase and registration under Buyers' flag, shall be for Buyers' account. Any taxes, consular and other charges and expenses connected with closing of the Sellers' register, shall be for Sellers' account.	12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27	The Vessel with everything belonging to her shall be at Sellers' risk and expense until she is delivered to the Buyers, subject to the conditions of this Contract and the Vessel with everything belonging to her shall be delivered and taken over as she is at the time of delivery, after which the Sellers shall have no responsibility for possible faults or deficiencies of any description.	42 43 44 45 46 47 48
		The Buyers undertake to pay for the repatriation of the Master, officers and other personnel if appointed by the Sellers to the port where the Vessel entered the Bareboat Charter as per <u>Clause 3</u> (Part II) or to pay the equivalent cost for their journey to any other place.	49 50 51 52 53

"BARECON 2001" Standard Bareboat Charter**OPTIONAL
PART****PART V****PROVISIONS TO APPLY FOR VESSELS REGISTERED IN A BAREBOAT CHARTER REGISTRY***(Optional, only to apply if expressly agreed and stated in Box 43)*

1.—Definitions	1	3.—Termination of Charter by Default	17
For the purpose of this PART V, the following terms shall	2	If the Vessel chartered under this Charter is registered	18
have the meanings hereby assigned to them:	3	in a Bareboat Charter Registry as stated in <u>Box 44</u> , and	19
<u>"The Bareboat Charter Registry"</u> shall mean the registry	4	if the Owners shall default in the payment of any amounts	20
of the State whose flag the Vessel will fly and in which	5	due under the mortgage(s) specified in <u>Box 28</u> , the	21
the Charterers are registered as the bareboat charterers	6	Charterers shall, if so required by the mortgagee, direct	22
during the period of the Bareboat Charter.	7	the Owners to re-register the Vessel in the Underlying	23
<u>"The Underlying Registry"</u> shall mean the registry of the	8	Registry as shown in <u>Box 45</u> .	24
state in which the Owners of the Vessel are registered	9	In the event of the Vessel being deleted from the	25
as Owners and to which jurisdiction and control of the	10	Bareboat Charter Registry as stated in <u>Box 44</u> , due to a	26
Vessel will revert upon termination of the Bareboat	11	default by the Owners in the payment of any amounts	27
Charter Registration.	12	due under the mortgage(s), the Charterers shall have	28
		the right to terminate this Charter forthwith and without	29
		prejudice to any other claim they may have against the	30
		Owners under this Charter.	31
2.—Mortgage	13		
The Vessel chartered under this Charter is financed by	14		
a mortgage and the provisions of <u>Clause 12(b)</u> (Part II)	15		
shall apply.	16		

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**RIDER CLAUSES TO CHARTER PARTY****M.T. "CV STEALTH "****DATED 23rd February 2010****CLAUSE 1. CANCELLATION OF BAREBOAT CHARTER:**

Owners during this charter have the right to sell the Vessel to a third party at any time hereunder with the following conditions:

- (a) Sale of the vessel to third party shall by no means affect the continuation of this charter and the new owner shall comply in full with a] I the terms and conditions of this Charter Party.
- (b) Charterers always to have the right of first refusal to buy the Vessel.
- (c) Any new owner always to be approved by Charterer, such approval shall not be unreasonably withheld.

CLAUSE 2. DRY DRY-DOCKS:

Charterers have the obligation to dry-dock the Vessel and/or to pass all surveys strictly in accordance with the rules and regulations of Vessel's Class and flag including Special Survey and Dry Dock always un-extended at Charterers cost and expenses.

CLAUSE 3. BUNKER CLAUSE:

Charterers warrant that all bunkers in accordance with herewith shall be of a quality complying 380 CST with ISO 8217 RMG 35 and with its specification for marine fuels as amended from time to time.

CLAUSE 4. CHARTERERS LIABILITIES:

Charterers hereby indemnify Owners from and again any all liabilities, claims, losses, damage, costs or expenses suffered or incurred, against Owners arising out of Charterers' negligence or failure to comply with the requirements of any government, including Federal, state or municipal or other division or authorities.

CLAUSE 5. OIL POLLUTION:

Charterers warrant that the Vessel shall have a valid P&I insurance against liability for pollution, including ITOPF/CLC obligations for an amount not less than USD One (1) billion per incident, provided, however that if the P&I Club in which the vessel entered and/or the underwriter(s)

m.t. CV STEALTH – CP dated 23rd February 2010

cease to provide Pollution Liability Coverage to such Club's Members in the amount(s) as just described then Charterers shall promptly obtain Pollution Liability Cover (both basis P&I Clubs and Additional Insurance) in the highest amount(s) then made available by any first class Underwriter.

CLAUSE 6. RISKS AND INSURANCE OF THE VESSEL:

(a) For the purpose of this Charter, "Total Loss" has the meaning given to it in Part 11, "Compulsory Acquisition" has the meaning given to it in Clause 25 above and "Major Casualty" mean a casualty to the Vessel or incident (other than a Total Loss) in respect of which the claim or aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds Five Hundred Thousand United States Dollars (US\$500,000) or the equivalents in any other currency.

(b) The Vessel shall throughout the term of this Charter be in every respect at the risk of the Charterers who shall bear all risks however arising whether of navigation operation or maintenance of the Vessel or otherwise.

(c) In addition to the insurance's referred to in Clause 13 and in this clause, the owners shall be entitled to effect and maintain for its own benefit and its own cost, innocent Owner's interest insurance for an amount to be determined by Owners in Owners' sole discretion and, for the benefit of any mortgagee or mortgagees pursuant to mortgagees indemnity insurance.

(d) The Charterers undertake throughout the term of this Charter, without prejudice to their obligation under Clause 13 above:

(i) to effect and maintain sufficient insurance on and over the Vessel in respect of hull, machinery and equipment, marine and war risks (including excess risks), protection and indemnity risks, FD and D, and oil pollution liability (if appropriate) upon such terms as shall from time to time be approved in writing by the owners and in such amounts in United States Dollars from time to time as are set out in the Schedule to these Additional Clauses in the case of hull, machinery and equipment, marine and war risks and excess risks and in the case of protection and indemnity risks and oil pollution liability, for the maximum amount obtainable from the protection and indemnity association in which the Vessel is from time to time entered;

(ii) Without prejudice to the provisions of sub-clause (i) above, Charterers shall procure and arrange at their own expense Hull and Machinery and war risks insurance's under terms not less favourable than those of Institute Time clauses Hulls edition 1.10.83 and/or as amended from time to time and Institute War and Strike Clauses Hull Time edition 1.10.83 with deductible not exceeding USD 225,000. Charterers shall in addition procure and maintain at their own expense full entry of the Vessel for oil pollution liabilities at the maximum amount available on the insurance market (presently such amount is equal to One Thousand Million United States Dollars (US\$ 1,000,000,000) and

m.t. CV STEALTH – CP dated 23rd February 2010

to arrange and pay for extra cover required by protection and indemnity associations for voyagers to any other country.

(iii) To effect the insurances aforesaid through first class insurance companies, underwriters and war risks associations operating in the London, American or others Insurance market and protection and Indemnity associations which are members of the International Group of Protection and Indemnity Associations;

(iv) To renew the insurances aforesaid at least fourteen (14) days before the relevant policies or contracts expire and to procure that the said brokers, and any war risks and protection and indemnity association with which such insurances are effected, shall promptly confirm in writing to the Owners the terms and conditions of such renewal as and when the same occurs;

(v) Punctually to pay all premiums, calls, contributions or other sums in respect of the insurances and to produce all relevant receipts when so required by the Owners;

(vi) To procure that a loss payable clause in such form as may be required by the Owners is endorsed upon all slips, cover notes, policies, certificates of entry or other instruments of insurance issued or to be issued in respect of the insurance of the vessel;

(vii) To procure that all such instruments of insurance referred to sub-clause (iv) above are as effected through the said brokers shall be deposited with the said brokers, and that such brokers shall furnish the Owners with proforma copies and a letter or letters of undertaking in such form as may be required by the Owners;

(viii) To procure that the protection and indemnity and/or war risks associations in which the Vessel is entered shall furnish the Owners with a certified copy of the certificate of entry for the vessel and a letter or letters of undertaking in the Protection & Indemnity Association's standard wording;

(ix) To apply all such sums receivable in respect of the insurances of the Vessel as are paid to Charterers in accordance with the provisions of this Charter for the purpose of making good the loss and fully repairing the damage in respect of which such sums have been received;

(x) Not to alter any of the terms of any if the instruments of insurance referred to in sub-clause (vi) above which have been approved by the Owners and not to make, do, consent or agree to any act or omission which would or might render any such instrument or insurance invalid, void, voidable or unenforceable or render any sum payable there under repayable in whole or in part

(xi) Not without the prior written consent of the Owners to settle, compromise or abandon any claim for Total Loss or a Major casualty



m.t. CV STEALTH – CP dated 23rd February 2010

(e) Unless and until a Termination Event shall occur whereupon all insurance recoveries shall be payable to the Owners, any sums receivable in respect of the insurances effected by the Charterers pursuant to Clause 13 above and this Clause shall be payable as follows ;

- (i) there shall be paid to the Owners all sums receivable in respect of Total loss and, unless otherwise authorized by the Owners, any and every sum receivable in respect of a Major Casualty, but so that the insurance moneys received by the Owners in respect of any such Major Casualty shall be paid over to the Charterers upon the charterers furnishing evidence to Owner's underwriter's satisfaction that all loss and damage resulting from the casualty has been properly made good and repaired, and that all repair accounts and other liabilities whatsoever in connection with the casualty have been fully paid and discharged by the Charterers, provided that the insurers may with the consent of the Owners make payment on account of repairs in the course of their being effected
- (ii) all other sums receivable in respect of the insurances shall be paid to the Charterers and shall be applied by them for the purpose of making good the loss and fully repairing all damage in respect of which the Insurance moneys have been received.

(f) The provisions of Clause 13 and of this Clause shall not apply to the proceeds of any additional insurance cover effected by the Owners and/or the Charterers for their own account and benefit, provided that such cover shall only be effected if and to the extent that the insurances effected by the Charterers pursuant to Clause 13 and to this Clause permit.

(g) In the event that at any time during the term of this Charter the Charterers shall not have paid the premiums in respect of the insurance cover required by this charter, the Owners shall notify the Charterers requiring rectification thereof but in any event shall be at liberty to pay such premiums or to effect, at the Charterers expense, such alternative insurance as the Owners may in their discretion determine to be necessary to protect the interests of the Owners under this Charter (and approved mortgagees if any) and the costs thereof shall be payable by the Charterers on demand and shall be recoverable as additional hire hereunder.

CLAUSE 7. INTEREST:

The Charterers shall pay on demand by the Owners interest on any sum due under this Charter and unpaid from and including the date which it fell due for payment (subject as provided below) until the date of actual payment (as well after as before judgement) at the rate per annum determined by the Owners and certified by them to the Charterers to be equal to one month London Interbank Offer Rate (LIB OR) plus 2 percent (2%) per annum~ provided always that where the Owners pay or incur any such costs, charges

m.t. CV STEALTH – CP dated 23rd February 2010

expenses claims, liabilities, losses, penalties, fines, duty, fee tax or other moneys as are stated in the Charter to be payable by the Charterers to the Owners or recoverable by the Owners from the Charterers or in respect of which the Charterers may be liable to indemnify Owners, Interest shall accrue thereon at the rate specified above from and including the date on which such cost, charge, expenses, claim, liability, loss, penalty, fine, duty, fee tax of or other money is paid or incurred by the Owners. Any such interest which is not paid when due shall be compounded at the end of such periods as the Owners may determine for so long as it remains unpaid. All payments of Interest to be made under the Charter shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a three hundred and sixty five (365) day year.

CLAUSE 8. CHARTERERS' COVENANTS:

The Charterers Covenant with the Owners undertake throughout the term of this Charter that!

- (a) they will provide the Owners with such information concerning the Vessel as the Owners may from time to time reasonable require including (without limitation) information regarding the employment, condition, geographical position and crewing of the vessel;
- (b) They will, forthwith upon becoming aware of the same, notify the owners in writing of any termination event (or event of which they are aware which, with the giving of notice and/or lapse of time would constitute a termination event);
- (c) They will obtain and promptly renew from time to time and will whenever so required promptly furnish certified copies to the Owners of all such authorizations, approvals, consents, and licenses (if any) as may be required under any applicable law or regulation to enable the Charterers to perform their obligations under this Charter or required for the validity or enforceability of this Charter, and the Charterers shall in all material respects comply with the terms of the same;
- (d) they will- (i) at any time during this charter, subject to a limit of one (1) month in ever calendar year, allow one representative of Owners, and, (ii) during the last voyage) prior to vessel' s dry dock or special survey (laden voyage), two representatives to be allowed onboard (iii) during the last round voyage (ballast and laden legs) before redelivery of the Vessel allow up to two (2) representatives of the Owners to attend on board the Vessel for general observation and inspection purposes always at the risk-and expense of the Owners provided that such observation and inspection shall not interfere with the ordinary work on board and the trading of the Vessel and subject to signing Charterers P&I Club Indemnity forms which shall be presented to them for signature upon boarding;



m.t. CV STEALTH – CP dated 23rd February 2010

(e) They will notify the Owners forthwith by telex, telefax or e-mail previously provided of:

- (1) Any accident to the Vessel or incident which is or is likely to be a Major Casualty;
- (2) Any occurrence resulting in the Vessel becoming or being likely to become a Total loss;
- (3) Any requirement or recommendation made by an insurer or classification society, or by any competent authority, which is not complied with within any time limit imposed by such insurer, classification society or authority;
- (4) Any arrest of the Vessel, or the exercise or purported exercise of any lien on the vessel or any requisition of the Vessel for hire.

(f) They will procure that at all times the Vessel is managed only by the Charterers or Charterers' associated company or such managers as shall be approved in writing by the Owners such approval not to be unreasonably withheld. In the event Charterers decide to appoint a third-party manager then Charterers shall invite Owners or their nominees to submit a quotation for the management of the Vessel;

(g) They will maintain the Vessel at all times in accordance with the requirements of (INSERT CLASS) to a standard not less than that to which the Charterers maintain the other vessels owned by the Charterers or their associated companies;

(h) That the Vessel shall remain the property of the Owners and that the Charterers shall have no rights or interest therein otherwise than as Charterers hereunder and that the Charterers shall at no time do or permit to be done any act or thing which might prejudice the rights of the Owners in and to the Vessel.

CLAUSE 9. INDEMNITY:

The Charterers shall pay to the Owners on demand, and indemnity and keep the Owners indemnified against, all costs charges, expenses, claims proceedings (whether civil or criminal)~ liabilities, losses~ penalties, fines, duties and fees (including, but not limited to reasonable, legal fees and expenses on a full indemnity basis provided that Owner's are the prevailing party on any such claim generating such legal fees and expenses) and taxes thereon suffered or incurred by the Owners arising directly or indirectly in any manner out of the possession, management control, chartering, sub-chartering, navigation, victualling, fuelling, manning, supply, insurance, use, operation, return, re-delivery, laying up or storage of or loss of or damage of the Vessel or any other vessel in the actual or disponent ownership of the Charterers or any part thereof or from any maintenance, service, modification~ repair, classification or overhaul of, or otherwise in connection with, the Vessel or such other vessel or any part thereof or any cargo carried therein, and regardless of when the same shall arise and whether or not the Vessel or other vessel or the relevant part thereof

m.t. CV STEALTH – CP dated 23rd February 2010

is in the possession or control of the Charterers; the indemnities contained in this Clause 10, and each other indemnity contained in this Charter shall survive any termination or expiry of this Charter for a period of twelve (12) months from the date thereof and any breach of, or repudiation or alleged repudiation by the Charterers or the Owners of this Charter. Charterers will cover all taxes including US freight taxes if any but excluding tax on income from Vessel's trading.

CLAUSE 10. TERMINATION EVENTS:

Each of the following events shall be a "Termination Event" for the purposes of this Charter:

- (a) The Charterers fail to make any payment on its due date or in respect of money payable on demand, (unless otherwise specifically provided) within seven (7) days from the date of such demand;
- (b) The Charterers are in breach of anyone or more of the provisions of this Charter relation to the insurance of the Vessel;
- (c) The Charterers fail to comply with any provision of this Charter other than those referred to in sub-clauses (a) and (b) above and in case of any such default which the Owners considers capable of remedy, such default continues for a period fourteen (14) days after the Owners, by notice to the Charterers, require the same to be remedied;
- (d) Any license, approval, consent authorization or registration at any time necessary for the validity, enforceability, admissibility in evidence of this Charter, or for the Charterers to comply with their obligations hereunder or in connection with the ownership or operation of the vessel is revoked, withheld or expires;
- (e) The Vessel becomes a Total Loss;
- (f) A petition is filed, or an order made, or an effective resolution passed, for the compulsory or voluntary winding-up or dissolution of the Charterers (other than the purposes of amalgamation or reconstruction in respect of which the prior written approval shall not be unreasonably withheld) or any proceedings analogous to winding-up proceedings are begun in any jurisdiction in relation to the Charterers or if the Charterers suspend payment of, or are unable to or admit inability to pay ~ their debts as they fall due or make any special arrangement or composition with their creditors generally or any class of their creditors;
- (g) As administrator, administrative receivers, receiver or trustee or similar official is appointed of or an encumbrances takes possession of, or execution or distress *is* levied upon~ the whole, or what the Owners consider a material part, of the property, assets or undertaking of the Charterers, or the Charterers apply for, or consent to, any such appointment;
- (h) The Charterers cease, or threaten to cease, to carry on their business} or dispose or threaten to dispose of what the Owners consider a material part of their property, assets or undertaking, or such a part is seized or appropriated;

m.t. CV STEALTH – CP dated 23rd February 2010

- (i) The Vessel is the subject of a Compulsory Acquisition;
- (j) It becomes impossible or unlawful for the Charterers to fulfil any of their obligations under this Charter

Each of the events specified in the above-mentioned clause shall constitute (as the case may be) a repudiatory breach or a breach of condition of this Charter by the Charterers, the occurrence of which will entitle the Owners by notice to the Charterers to terminate the chartering of the Vessel by the Charterers under this Charter, to recover amounts, to claim damages and/or to exercise any other right or remedy to which the Owners may be entitled under this Charter or at law, in equity or otherwise as a consequence of the occurrence of the termination event.

CLAUSE 11. OWNERS' RIGHTS ON A TERMINATION EVENT:

(a) If any termination even shall occur, the Owners may thereupon and at any time thereafter at their option take anyone or more of the following actions:

- (i) Take all action which the Owners may reasonably consider necessary to cure any such Termination Event and recover from Charterers all liabilities, reasonable costs and expenses or incurred by the Owners in doing so;
- (ii) By notice to the Charterers terminate the chartering of the Vessel by the Charterers under this Charter, either immediately or on such date as the Owners may specify, whereupon:

A) the Vessel shall no longer be in the possession of the Charterers, in accordance with Owner's instructions with the consent of the Owners and the Charterers shall promptly redeliver the Vessel to the Owners with all reasonable dispatch in the manner and in the condition governing redelivery as specified under this charter; and;

B) the Owners shall be entitled but not bound (and not without prejudice to the Charterers' obligation under sub-clause (A) above) to retake possession of the Vessel wherever found, irrespective of whether the Charterers, any sub-charterer or any other person may be in possession of the Vessel without being bound to give any prior notice or take any legal process and without liability to the part of the Owners, and the Charterers hereby authorize the Owners, for that purpose, to enter upon any premises where the Vessel may be located.

(b) If the Owners give notice pursuant to sub-clause (a) above to terminate the chartering of the vessel by the charterers, the charterers shall forthwith pay to the Owners all sums of money whether of hire or otherwise due and payable but unpaid under this Charter upon which the Charterers' obligation to pay hire shall cease and the Vessel shall be redelivered to the

m.t. CV STEALTH – CP dated 23rd February 2010

Owners in accordance with this Charter Party.

(c) At any time after giving notice of termination in accordance with sub-clause (a) above the Owners shall be entitled (but not bound) to sell the vessel, free of this Charter and any right or claim of whatsoever nature of the Charterers whether under this Charter or otherwise and free of any other charter or other engagement concerning her, for such price and on such terms and conditions as they may in their absolute discretion think fit.

CLAUSE 12. CONTRADICTION CLAUSE

If there happens to be a discrepancy between the "Barecon 01" as mutually agreed and amended by Owners and Charterers and the Owners additional terms, then additional terms to always supersede the CIP.

CLAUSE 13. THE CHARTER SHALL HAVE THE OPTION TO PURCHASE THE VESSEL AT THE ALTERNATIVE DATES AND PRICES SET OUT BELOW:

On the 3rd Anniversary of the delivery date for a price of USD 47 million
On the 4th Anniversary of the delivery date for a price of USD 45.5 million
On the 5th Anniversary of the delivery date for a price of USD 42 million
On the 6th Anniversary of the delivery date for a price of USD 41 million
On the 7th Anniversary of the delivery date for a price of USD 39 million

(Each of the 3rd, 4th, 5th, 6th and 7th Anniversary of the delivery date shall hereinafter be referred to as the "Purchase Option Date")

The Charterers shall give the Owners notice in writing (the "Notice") of their intention to exercise the purchase option at least 5 MONTHS prior to the relevant Purchase Option Date. On receipt of the Notice the Owners shall take all necessary steps to ensure that there is a smooth transfer of ownership of the Vessel to the Charterers on the relevant Purchase Option Date. The Owners and Charterers agree that the sale and purchase of the Vessel shall be on the terms and conditions of the standard NSF 93 form with logical amendments which the Owners and Charterers agree to conclude and sign at least 90 days prior to the relevant Purchase Option Date.



m.t. CV STEALTH – CP dated 23rd February 2010

CLAUSE 14.

MT CV Stealth shall not be delivered to Charterers before 15 April 2010 / 0001hrs Lt and Chtrrs shall have the option of cancelling this charter if the ship is not ready and at their disposal on or before 30 August 2010 / 2359hrs Lt.

CLAUSE 15.

Owners to give 30/15/10 days approximate, then 5/3/2/1 days firm notice of delivery.
Charterers to give 30/15/10 days approximate, then 5/3/2/1 days firm notice of redelivery.

CLAUSE 16.

Owners warrant to the best of their knowledge that at the time of delivery into the bareboat charter the ship is not blacklisted by the Arab Boycott League.

CLAUSE 17.

Charterers have the option to load and/or discharge and/or lighten the vessel via ship to ship transfer in accordance with the procedure set out in OCIM's 'Ship to Ship Transfer Guide'. But not more than 60 lightering days per annum.

CLAUSE 18.

Local time for laycan, GMT for hire calculation.

CLAUSE 19.

Antifouling application will be 60 months period during the next drydocking and Owners will maintain the original paint condition of entire hull of the both ships applying appropriate touch up and final coats as per NB specifications. If present BB Charterers normally apply 30 months paint, Headowners will ask present BB Charterers (AET) to apply 60 months paint when in drydock for SS. Difference in cost will be borne by new BB Charterers (GEDEN)



m.t. CV STEALTH – CP dated 23rd February 2010

CLAUSE 20.

With regard to EU Directive 2005/33/EC low Sulphur use in EU, the Charterers are seeking to get confirmation from the existing Bareboat Charterers (Messrs AET) to make the necessary applications and communications with the Class to get an extension of 8 months of the implementation date 01.01.2010.

For the Owners

A handwritten signature in black ink, likely representing the Owners.

A handwritten signature in black ink, likely representing the Charterers.
TIGER TIGER

For the Charterers

ADDENDUM NO. 1

Charter Party dated 23rd February 2010 for
M.T. "CV STEALTH"

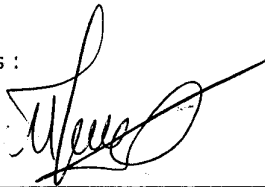
With reference to the captioned Charter Party, IT IS THIS DAY HEREBY
AGREED BETWEEN THE PARTIES TO AMMEND BARECON CHARTER PARTY AS
FOLLOWS:

Box 4 of the Barecon Charter Party should read:

"Geden Holdings Limited, Malta or nominee always guaranteed by Geden Holdings
Limited, Malta. Performance Guarantee to the satisfaction of Owners and their
financiers to be mutually agreed."

IN WITNESS WHEREOF, the parties have caused this Addendum No.1 to be
duly executed in Copenhagen on this 2nd day of June 2010.

Owners :



By : Himoza Dimareli
Title : Director

Charterers:



By : Thomas Talskov
Title : Director

ADDENDUM NO. 2

Charter Party dated 23rd February 2010 for
M.T. "CV STEALTH"

With reference to the captioned Charter Party, IT IS THIS DAY HEREBY
AGREED BETWEEN THE PARTIES TO AMMEND BARECON CHARTER PARTY AS
FOLLOWS:

Box 22 of the Barecon Charter Party should read:

USD 8,750 gross pdpr for the first 365 days after delivery
USD 9,750 gross pdpr for the 2nd charter year
USD 10,750 gross pdpr for the period starting from 730th day after delivery until end
of 3rd year
USD 9,750 gross pdpr for the 4th charter year
USD 9,750 gross pdpr for the 5th charter year
USD 13,250 for the optional period.

Clause 13 of Rider Clauses:


To be deleted.

Delivery:

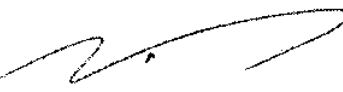
Delivery is agreed to be effected when inventory count is completed and agreed
between the parties onboard the vessel.

IN WITNESS WHEREOF, the parties have caused this Addendum No.2 to be
duly executed in Copenhagen on this 21st day of June 2010.

Owners :


By : Kimora Dimarelli
Title : DIRECTOR

Charterers:


By : Tugan Tokun
Title : DIRECTOR

ADDENDUM NO 3

Dated 29 January 2013

To the Bareboat Charter dated 23rd February 2010 (the "BBCP")
as amended by an Addendum No 1 dated 2nd June 2010
and by an Addendum No 2 dated 21st June 2010

BETWEEN

Psara Energy Limited, of the Marshall Islands (the "Owners")

AND

Space Shipping Ltd, of Malta (the "Charterers")
Geden Holdings Ltd, of Malta (as "Guarantor")

Relating to the charter of the crude oil carrier m/t "CV Stealth" (the "Vessel")
pursuant to the terms and conditions of the BBCP.

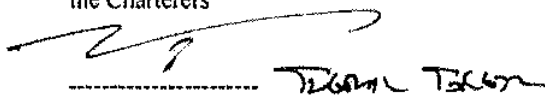
With reference to the terms and conditions of the BBCP, it is hereby agreed and confirmed that:

1. The payment of a portion of the daily charter hire of an amount of USD 3.225 arising from the charter hires starting 1st December 2012 until 1st December 2013 shall be deferred. With effect from 1st December 2013 the total amount of deferred charter hires as per this clause (i.e. USD 1.177.125) shall be repaid in proportionately equal instalments until 22nd June 2015 and added to the daily charter hire.
2. Accordingly, the amount of USD 2.072 shall be added to the daily charter hire of Box 22 of the BBCP, from 1st December 2013 until 22nd June 2015.
3. In the event of default of payment by the charterers under the bareboat charters of the Maltese flagged vessel "C.S. Stealth", then such event of default shall be considered as Charterers' Default under the present BBCP.

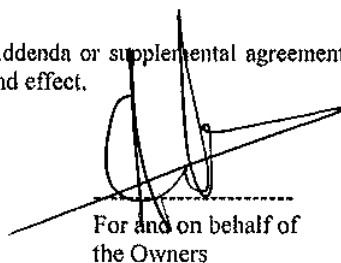
All other terms and conditions of the BBCP and its Addenda or supplemental agreements or undertakings thereto remain unaltered and in full force and effect.



For and on behalf of
the Charterers



For and on behalf of
the Guarantor



For and on behalf of
the Owners

Georgios Amanatidis
Sole Director

ANNEX 4


Messrs.
PSARA ENERGY LIMITED
Ajeltake Road, Ajeltake Island
Majuro, MH 96960
Marshall Island

IRREVOCABLE PERFORMANCE GUARANTEE

In consideration of you, Psara Energy Limited / Marshall Island (hereinafter the "Company"), entering into a Bareboat Charterparty and MoA as per rider clause 13 of "BARECON 2001" dated 23 February 2010 and any and all subsequent addenda thereto (the "Contract") with Space Shipping Ltd / Malta (the "Charterer") as charterer and or buyer, we, subject to the provision of the paragraphs below, Geden Holdings Ltd of Malta hereby unconditionally and irrevocably guarantee as primary obligor on first demand the full and timely performance by the Charterer of all its obligations under the Contract, including, but not limited to, the punctual payment of the hire and or the purchase price of the vessel MT CV STEALTH under the Charterparty according to the Contract, providing the Charterer with sufficient funds to fulfill the Contract, due and punctual payment to you of all amounts (if any) owing by the Charterer under or pursuant to the Contract.

Upon receipt your first written demand stating (i) that the claimed amount is due to you and remains unpaid for a period of seven (7) calendar days from the due date and (ii) copies of the hire statement for the relevant period, we especially undertake to make any payment which was due to you under the above-mentioned Contract but has not been paid on the due date by the Charterers to you to your account as specified in the Contract. Such demand is to specify the amount overdue and the date it was due.

A further consideration of the provision of this guarantee is your undertaking, confirmed by your countersignature hereunder, that subject to our payment of any overdue amount under this guarantee within 7 days of receipt of your demand, you will not execute your right of withdrawal of the Vessel as per the Contract and you will refrain from arresting or otherwise detaining any of our assets.



However, in the event of any dispute between you and the Charterer in relation to:


- (1) whether the Charterers shall be liable to pay the sum to you and;
- (2) consequently whether you shall have the right to demand payment from us;

and such dispute shall have been submitted either by the Charterers or by you to Arbitration in accordance with clause 30 part II of the Contract within seven (7) calendar days from the Charterers' receipt of your demand for repayment, then we shall be entitled to withhold and defer payment until the awards is published. We shall not be obligated to make any payment to you unless the judgement orders the Charterers to make repayment. If the Charterers fails to honour the judgement within seven (7) days after that the final judgement had been rendered in the proceedings then we shall pay to you to the extent the judgement orders.

Any compliance with a demand hereunder shall be under strict reservation of, and shall not constitute a waiver of, our and the Charterer's rights in Contract and in Law.

No amendments, additions or variations to or extensions of the Contract, nor the granting of any additional time or other forbearance to the Nominee by you, nor any act or omission by you, shall release us from liability under the terms of this guarantee.

This Guarantee shall come into full force and effect upon the delivery of the same to you and shall continue in force and effect from the time when the charter period commences for a period of (7) seven years plus an additional period of further 12 months, in the case that the first option is declared by the Charterers in accordance with Box 21 Part I of the Contract, plus another additional period of further 12 months, in the case that also the second option is declared by the Charterer in accordance with Clause Box 21 Part I of the Contract, plus another additional period of further 12 months, in the case that also the third option is declared by the Charterer in accordance with Clause Box 21 Part I of the Contract. Notwithstanding the provisions hereinabove, in case we receive notification from you or from the Charterers stating that a claim covered by this Guarantee has been disputed and referred to Arbitration in accordance with the provisions of the Contract the period of validity of this Guarantee shall be extended until thirty (30) days after the final judgment shall be rendered in the proceedings. In such case, this Guarantee shall not be available unless and until such certified copy of the final awards in the Arbitration justifying your claim is presented to us or a written agreement between the parties terminating the dispute is presented to us.



When this Guarantee shall have expired as aforesaid, you will return the same to us immediately without any request or demand from us, but non-return shall not affect the expiry of our commitment hereunder.

This guarantee shall be governed by and construed in accordance with the laws of England and we agree to submit to the non-exclusive jurisdiction of the English High Court.

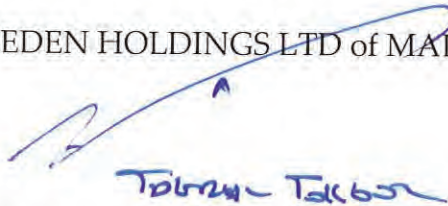
The address and full style details of the Guarantor are as follows:

Mailing address:
GEDEN HOLDINGS LTD
C/O
BUYUKDERE CADDESI
YAPI KREDI PLAZA A BLOK K-12
LEVENT-ISTANBUL-TURKIYE

E-mail address:
chartering@gedenlines.com
Tel. +90 212 319 51 00 Fax +90 212 283 1604

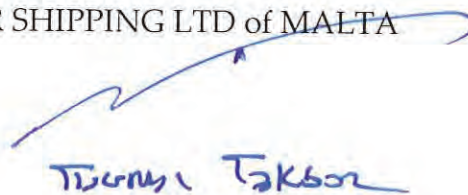
04, March, 2010

GEDEN HOLDINGS LTD of MALTA

A handwritten signature in blue ink, appearing to read "Turgut Taksar", with a large, sweeping flourish above it.

Countersigned:
04, March, 2010

SUPER SHIPPING LTD of MALTA

A handwritten signature in blue ink, appearing to read "Turgut Taksar", with a large, sweeping flourish above it.

ANNEX 5



Contact

GEDENLINES

GENEL DENIZCILIK NAKLIYATI A.S. Büyükdere Cad. Yapı Kredi Plaza
A Blok K:12 34330 Levent - Istanbul - Turkey

Phone: + 90 (212) 319 51 00

Fax : + 90 (212) 283 16 04-05

gedenlines@gedenlines.com

Yapı Kredi Plaza Levent Mh. Cömert Sk. (A-Blok, No:1A) K:12 34330 Levent - Istanbul - Turkey
Phone: + 90 (212) 319 51 00 Fax: + 90 (212) 283 16 04-05
gedenlines@gedenlines.com

GEDENLINES

TANKERS

M/T Profit
M/T Blue
M/T Pink
M/T Reef
M/T Royal
M/T Blank
M/T Hero
M/T Center
M/T Aqua
M/T Action
M/T Bravo
M/T Power
M/T Value
M/T Target
M/T True
M/T Spike
M/T Avor
M/T Enjoy
M/T Marka
M/T Citron
M/T Citrus
M/T Acor
M/T Carry
M/T Rova
M/T Cotton
M/T Cargo
M/T Rock
M/T Rocket

BULK CARRIERS

M/V Proud
M/V Flash
M/V Pretty
M/V Angel
M/V Scope
M/V Cash
M/V Fantastic
M/V Asia
M/V Amazing
M/V World
M/V South
M/V Capital

M/V Metropol
M/V Secret
M/V Sharp
M/V West
M/V East
M/V Namrun
M/V Tarsus
M/V Spot
M/V Clear

FLEET UNDER MANAGEMENT

CV Stealth
CS Stealth
M/T Bull
M/T Buddy



ANNEX 6



IMO number :	9472634	
Name of ship :	POWER	(since 01/09/2011)
Call Sign :	9HA2748	
MMSI :	215511000	
Gross tonnage :	61336	(since 01/09/2011)
DWT :	116087	
Type of ship :	Crude Oil Tanker	(since 01/09/2011)
Year of build :	2011	
Flag :	Malta	(since 01/09/2011)
Status of ship :	In Service/Commission	(since 22/09/2011)
Last update :	14/05/2013	

OVERVIEW

Overview	Value
The ship is classed by (at least) one of the IACS member societies	Yes
The ship's flag is not on the black list of the Paris MoU	Yes
The ship's flag is on the white list of the Paris MoU	Yes
The ship's flag is not on the black list of the Tokyo MoU	Yes
The ship's flag is on the white list of the Tokyo MoU	Yes
Percentage of inspections having led to a detention in last 36 months	0.0 %
The ship's flag is not on the targeted list of the USCG	No

MANAGEMENT DETAIL

IMO number	Role	Name of company	Address	Date of effect
0098122	ISM Manager	GENEL DENIZCILIK NAKLIYATI AS	Kat 12, Blok A, Yapi Kredi Plaza, Buyukdere Caddesi Levent Mah, Besiktas, 34330 Istanbul, Turkey.	since 23/09/2011
0098122	Ship manager	GENEL DENIZCILIK NAKLIYATI AS	Kat 12, Blok A, Yapi Kredi Plaza, Buyukdere Caddesi Levent Mah, Besiktas, 34330 Istanbul, Turkey.	since 22/09/2011
5050125	Registered owner	BARBAROS MARITIME LTD	Care of Genel Denizcilik Nakliyatı AS (GEDEN LINES), Kat 12, Blok A, Yapi Kredi Plaza, Buyukdere Caddesi Levent Mah, Besiktas, 34330 Istanbul, Turkey.	since 22/09/2011

CLASSIFICATION STATUS

Classification society	Date change status	Status	Reason
Det Norske Veritas	since 23/09/2011	Delivered	

CLASSIFICATION SURVEYS

Classification society	Date of last renewal survey	Date of next renewal survey
Det Norske Veritas	23/09/2011	23/09/2016

SAFETY MANAGEMENT CERTIFICATE (RECOGNISED ORGANISATIONS)

Classification society	Date survey	Date expiry	Date change status	Status	Reason	C/V
Det Norske Veritas	23/12/2011	23/12/2016	23/12/2011	Delivered	Convention	

P&I INFORMATION

Name of P&I insurer	Date of inception
Steamship Mutual Underwriting Association (Bermuda)	10/06/2013

Equasis's contributors :



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ANNEX 7

DNV Exchange - POWER - Owner

6/23/13 1:33 PM



Log on

[exchange home](#) > [registry](#) > [power](#) > [overview](#) > [owner](#)

VESSEL

POWER

DNV ID: 29370

IMO No:

9472634

Operational Status: In Operation

Class Relation:

In DNV Class

Overview**Status**[Summary](#) [Dimensions](#) [Classification](#) [Registry](#) [Hull Summary](#) [Machinery Summary](#) [Yard](#) [Owner](#)Owner: Barbaros Maritime Ltd.
(10037695)Manager: Genel Denizcilik Nakliyatı A.S.
(103575) (LRF / Company identification no: 0098122)ISM/DOC Holder: Genel Denizcilik Nakliyatı A.S.
(103575) (LRF / Company identification no: 0098122)

Vessel Name:

DNV ID:

IMO No:

My Recent
Vessels:

POWER

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ANNEX 8


eCOFR Main

6/23/13 1:04 PM



National Pollution Funds Center

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[E-COFR](#)
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[Contact Us](#)
[Statistics](#)
[Disclaimer](#)
[Forms/Regulations](#)
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[FAQs](#)

Click on the Document Icon  to the left of a record to display a COFR Confirmation in html. You may print the COFR Confirmation by right clicking your mouse and selecting "print" from the list.

VESSEL NAME	VESSEL TYPE	HULL TYPE	GROSS TONNAGE	COFR NUMBER	EFFECTIVE DATE	EXPIRATION DATE	COFR APPLICANT	VIN	INSURANCE CANCEL FLAG
 ANTARCTIC TANKER			85421	865650 - 16	7/1/2013	7/1/2016	POWERFUL SHIPPING S.A.	L9315185	
 MARINA	DRY BULK CARRIER		39783	857156 - 16	1/5/2012	1/5/2015	POWER TRANSPORTATION SPECIAL MARITIME ENTERPRISE	L9180918	
 POWER	TANKER		61336	841057 - 16	10/5/2011	10/5/2014	GENEL DENIZCILIK NAKLIYATI A S	L9472634	
 POWER D	TANKER		161306	868030 - 16	12/13/2011	12/13/2014	POWER D SHIPPING COMPANY LIMITED	L9241102	
 POWER RANGER	DRY BULK CARRIER		26330	852537 - 16	5/23/2011	5/23/2014	MAXUM STEAMSHIP LTD.	L9123740	
 POWER STEEL	DRY BULK CARRIER		38881	853114 - 19	10/20/2012	10/20/2015	OCEAN TRANSIT CARRIER S.A.	L9195327	
 POWERFUL	DRY BULK CARRIER		38639	857340 - 15	5/14/2011	5/14/2014	FOUNTAIN SERVICES LIMITED	L9042233	

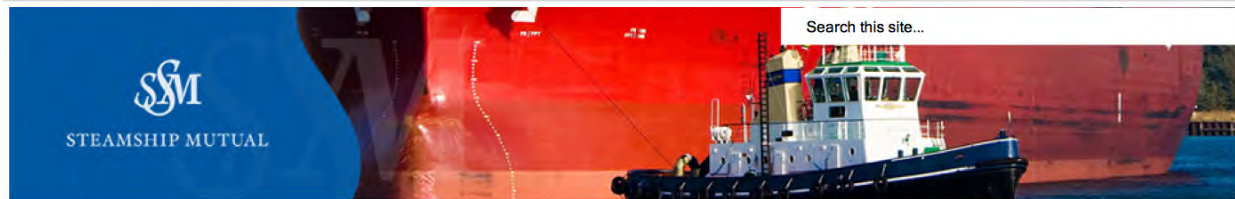
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Contact the [Accessibility Coordinator](#) for comments and inquiries about accessibility.

Version 3.6 -- This version is designed for Internet Explorer.

ANNEX 9



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 [Loss Prevention](#) |
 [Liabilities & Claims](#) |
 [Publications](#) |
 [Correspondents](#) |
 [Contact Us](#) |
 [Vessel Search](#) |
 [Cookies](#)

Locate a Vessel

To search for a vessel, select either Vessel Name or IMO Number from the dropdown and enter the relevant details or first part into the search field.

Please note that the List of Entered Vessels does not include entries by charterers.

Vessel name

If you have any queries about the List of Entered Vessels, please [contact us](#)

POWER Vessel Details

Vessel	POWER
Member	Genel Denizcilik Nakliyatı A.Ş.
IMO Number	9472634
Vessel Type	Tanker
Port of Registry	VALLETTA
Gross Tonnage	61336
Syndicate	European

Syndicate Contacts



Darren Webb

Syndicate Manager Underwriting

Direct Tel: +44 (20) 7650 6631

Email: darren.webb@simsl.com

[Email these details](#)



Neil Gibbons

Syndicate Manager Claims

Direct Tel: +44 (20) 7650 6552

Email: neil.gibbons@simsl.com

ANNEX 10

ADDENDUM NO. 1

Charter Party dated 23rd February 2010 for
M.T. "CV STEALTH"

With reference to the captioned Charter Party, IT IS THIS DAY HEREBY
AGREED BETWEEN THE PARTIES TO AMMEND BARECON CHARTER PARTY AS
FOLLOWS:

Box 4 of the Barecon Charter Party should read:

"Geden Holdings Limited, Malta or nominee always guaranteed by Geden Holdings
Limited, Malta. Performance Guarantee to the satisfaction of Owners and their
financiers to be mutually agreed."

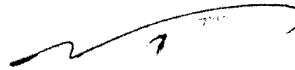
IN WITNESS WHEREOF, the parties have caused this Addendum No.1 to be
duly executed in Copenhagen on this 2nd day of June 2010.

Owners :



By : Himoza Dimareli
Title : Director

Charterers:



By : Thomas Talskov
Title : Director

ADDENDUM NO. 2

Charter Party dated 23rd February 2010 for
M.T. "CV STEALTH"

With reference to the captioned Charter Party, IT IS THIS DAY HEREBY
AGREED BETWEEN THE PARTIES TO AMMEND BARECON CHARTER PARTY AS
FOLLOWS:

Box 22 of the Barecon Charter Party should read:

USD 8,750 gross pdpr for the first 365 days after delivery
USD 9,750 gross pdpr for the 2nd charter year
USD 10,750 gross pdpr for the period starting from 730th day after delivery until end
of 3rd year
USD 9,750 gross pdpr for the 4th charter year
USD 9,750 gross pdpr for the 5th charter year
USD 13,250 for the optional period.

Clause 13 of Rider Clauses:


To be deleted.

Delivery:

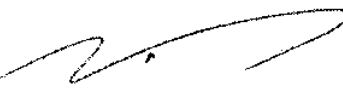
Delivery is agreed to be effected when inventory count is completed and agreed
between the parties onboard the vessel.

IN WITNESS WHEREOF, the parties have caused this Addendum No.2 to be
duly executed in Copenhagen on this 21st day of June 2010.

Owners :


By : Kimora Dimarelli
Title : DIRECTOR

Charterers:


By : Tugan Tokun
Title : DIRECTOR

ADDENDUM NO 3

Dated 29 January 2013

To the Bareboat Charter dated 23rd February 2010 (the "BBCP")
as amended by an Addendum No 1 dated 2nd June 2010
and by an Addendum No 2 dated 21st June 2010

BETWEEN

Psara Energy Limited, of the Marshall Islands (the "Owners")

AND

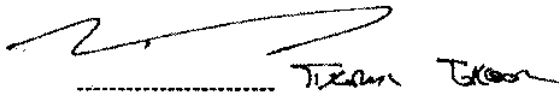
Space Shipping Ltd, of Malta (the "Charterers")
Geden Holdings Ltd, of Malta (as "Guarantor")

Relating to the charter of the crude oil carrier m/t "CV Stealth" (the "Vessel")
pursuant to the terms and conditions of the BBCP.

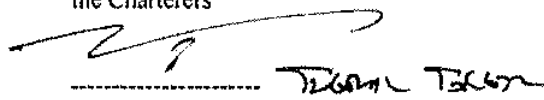
With reference to the terms and conditions of the BBCP, it is hereby agreed and confirmed that:

1. The payment of a portion of the daily charter hire of an amount of USD 3.225 arising from the charter hires starting 1st December 2012 until 1st December 2013 shall be deferred. With effect from 1st December 2013 the total amount of deferred charter hires as per this clause (i.e. USD 1.177.125) shall be repaid in proportionately equal instalments until 22nd June 2015 and added to the daily charter hire.
2. Accordingly, the amount of USD 2.072 shall be added to the daily charter hire of Box 22 of the BBCP, from 1st December 2013 until 22nd June 2015.
3. In the event of default of payment by the charterers under the bareboat charters of the Maltese flagged vessel "C.S. Stealth", then such event of default shall be considered as Charterers' Default under the present BBCP.

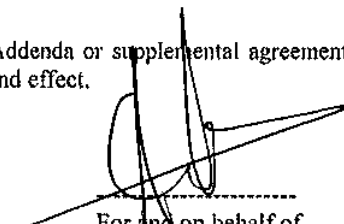
All other terms and conditions of the BBCP and its Addenda or supplemental agreements or undertakings thereto remain unaltered and in full force and effect.



For and on behalf of
the Charterers



For and on behalf of
the Guarantor



For and on behalf of
the Owners

Georgios Amanatidis
Sole Director

ANNEX 11

STEALTH MARITIME CORPORATION S.A.

331, KIFISIAS AVE., 14561 KIFISIA
P.O. Box 52939, 14610
KIFISIA GREECE

M/S: SPACE SHIPPING LTD
198 OLD BAKERY STREET
VALLETTA, MALTA

Date:
Currency:
No:

DEBIT NOTE
15-Apr-13
USD
T0110/DN/39

M/V C.V.STEALTH / T0110 / GEDEN (SPACE) / CP Date: 23-Feb-10

Description	Debit	Credit
Bare Boat Charter - Time Charterparty		
Billing Period: 36		
From 01-May-13 00:00 to 31-May-13 24:00		
Hire Rate: 7,525.00 USD/per Day		
Total Days: 31.00000		
Bare boat hire daily (01-May-13 00:00-31-May-13 24:00)	\$233,275.00	
Total amount USD	\$233,275.00	\$0.00
Balance Due		\$233,275.00

Hire is payable as per charter party to:

ALPHA BANK
SHIPPING BRANCH (CN 960)
89 AKTI MIAOULI STREET
GR 185 38 PIRAEUS -GREECE
TEL: 210-4290208, 4290116
FAX: 210-4290348
SWIFT CODE: CRBAGRAA
IBAN:
INTO ACCOUNT:
IN FAVOUR OF: STEALTH MARITIME CORPORATION SA
USD CORRESPONDENT:
JP MORGAN CHASE BANK
1, CHASE MANHATTAN PLAZA
NEW YORK, NY 10081 - USA
SWIFT ADDRESS: CHASUS33XXX


Nikos Markomichelakis
Operations Manager


Perpinias Kyriakos
Freight Collection Dpt



STEALTH MARITIME CORPORATION S.A.

331, KIFISIAS AVE., 14561 KIFISIA
P.O. Box 52939, 14610
KIFISIA GREECE

M/S: SPACE SHIPPING LTD
198 OLD BAKERY STREET
VALLETTA, MALTA

Date:
Currency:
No:

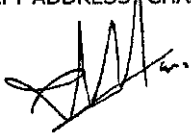
DEBIT NOTE
16-May-13
USD
T0110/DN/40

M/T C.V.STEALTH / T0110 / GEDEN (SPACE) / CP Date: 23-Feb-10

Description	Debit	Credit
Bare Boat Charter Hire Calculation		
Billing Period: 37		
From 01-Jun-13 00:00 to 22-Jun-13 11:00		
Hire Rate: 7,525.00 USD/per Day		
Total Days: 21.45833		
From 22-Jun-13 11:00 to 21-Jun-13 24:00		
Hire Rate: 6,525.00 USD/per Day		
Total Days: 8.54167		
Bare boat hire daily (01-Jun-13 00:00-30-Jun-13 24:00)	\$217,208.33	
Total amount USD	\$217,208.33	\$0.00
Balance Due		\$217,208.33

Hire is payable as per charter party to:

ALPHA BANK
SHIPPING BRANCH (CN 960)
89 AKTI MIAOULI STREET
GR 185 38 PIRAEUS -GREECE
TEL: 210-4290208, 4290116
FAX: 210-4290348
SWIFT CODE: CRBAGRAA
IBAN:
INTO ACCOUNT:
IN FAVOUR OF: STEALTH MARITIME CORPORATION SA
USD CORRESPONDENT:
JP MORGAN CHASE BANK
1, CHASE MANHATTAN PLAZA
NEW YORK, NY 10081 - USA
SWIFT ADDRESS: CHASUS33XXX


Nikos Markomichelakis
Operations Manager




Perpinas Kyriakos
Freight Collection Dpt

ANNEX 12

EMAIL

From	Our reference	Date
Jeremy Biggs/Jane Fitzgerald	JB/JF/8218/8732	13 June 2013
To	Attention	Your reference
Michael Baker-Harber	Michael Baker-Harber	
Total number of pages		Email address
		mbh@mbharb.fsnet.co.uk
Copies to	Attention	Email address

Matter

CV Stealth - C/P 23 February 2010**Unpaid Hire**

We act for Psara Energy Limited, as Owners ("Owners") under the above-captioned bareboat charterparty entered into between our clients and Space Shipping Ltd as charterers ("Charterers") in respect of the above vessel.

Our clients have a claim for unpaid hire.

The bareboat charterparty requires (Clause 30(a) of Barecon 2011) that disputes are referred to a tribunal of three arbitrators, one to be appointed by each of the parties, and the third by the two so chosen. Owners wish to appoint you as their arbitrator in respect of all disputes with Charterers arising under the bareboat charterparty.

We would be grateful if you could please provide written confirmation of acceptance of this appointment.

Yours faithfully

Ince & Co LLP

Ince & Co LLP
International House
1 St Katharine's Way
London E1W 1AY
DX 1070 London City

Tel +44 (0)20 7481 0010
Fax +44 (0)20 7481 4968
incelaw.com

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Beijing Dubai Hamburg Hong Kong Le Havre London Monaco Paris Piraeus Shanghai Singapore

ANNEX 13

Geden Holdings Ltd
C/O Buyukdere Caddesi
Yapi Kredi Plaza A Blok K-12
Levent
Istanbul
Turkey

Your ref:

Our ref: JB/JF/8218/8732

Date: 21 June 2013

By Courier/Email/Fax

For the attention of Tugrul Tokgoz

Email: chartering@gedenlines.com
Fax: +90 212 283 1604

Dear Sirs

**Irrevocable Performance Guarantee dated 04 March 2010
CV Stealth**

We are instructed by Psara Energy Limited who are the beneficiary (the "Company") under an Irrevocable Performance Guarantee dated 4 March 2010 (the "Guarantee") issued by Geden Holdings Ltd (the "Guarantor") in relation to a bareboat charter dated 23 February 2010 (the "Contract") in respect of CV STEALTH (the "Vessel") entered into between the Company and Space Shipping Ltd (the "Charterer").

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guarantees as primary obligor on first demand the full and timely performance by the Charterer of all its obligations under the Contract, including, but not limited to, the punctual payment of the hire under the Contract.

We hereby provide you with a first written demand under the Guarantee for payment by the Guarantor to the Company of the sum of US\$450,483.33. Hire in the amounts of US\$233,275 (for May 2013) and US\$217,208.33 (for June 2013) are overdue and were due for payment on 30 April 2013 and 31 May 2013 respectively. The claimed amount is due to the Company and remains unpaid for a period of seven (7) calendar days from the due date. We enclose copies of the hire statements for each of the relevant periods, together with the relevant hire invoices.

In light of the above, please urgently make payment of the above sums to the Company ensuring that such sums are received by them, in full, **within latest 7 days from receipt of this first written demand.**

If payment is not received as demanded above, the Company shall be entitled to:

Ince & Co LLP
International House
1 St Katharine's Way
London E1W 1AY
DX 1070 London City

Tel +44 (0)20 7481 0010
Fax +44 (0)20 7481 4968
incelaw.com

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Beijing Dubai Hamburg Hong Kong Le Havre London Monaco Paris Piraeus Shanghai Singapore

21 June 2013

- (i) commence English High Court proceedings under the Guarantee without further notice; and/or
- (ii) seek security for the Company's claim against the Guarantor without further notice, including by way of arrest any of the Guarantor's assets; and/or
- (iii) withdraw the Vessel from the Charterer's service under the Contract and/or terminate the Contract for the Charterer's breach of condition and/or repudiatory breach.

This demand letter is wholly without prejudice to the Company's rights under the Guarantee. All of the Company's rights are fully reserved.

Your urgent attention is required in order to avoid the further unnecessary escalation of this matter.

We look forward to receiving your urgent and positive response.

Yours faithfully



Ince & Co LLP